

SAN FRANCISCO PUBLIC LIBRARY



3 1223 07661 2317

5/5




San Francisco Public Library

Government Information Center
San Francisco Public Library
100 Larkin Street 5th Floor
San Francisco, CA 94102

REFERENCE BOOK

Not to be taken from the Library



Digitized by the Internet Archive
in 2012 with funding from
California State Library Califa/LSTA Grant

<http://archive.org/details/63minutesregular2001sanf>

MINUTES OF A REGULAR MEETING OF THE
REDEVELOPMENT AGENCY OF THE CITY AND
COUNTY OF SAN FRANCISCO HELD ON THE
3RD DAY OF JULY 2001

The Commissioners of the Redevelopment Agency of the City and County of San Francisco met in a regular meeting at City Hall, 1 Dr. Carlton B. Goodlett Place, Room 416, in the City of San Francisco, California, at 4:00 p.m. on the 3rd day of July, 2001, the place and date duly established for holding of such a meeting.

The President called the meeting to order and on roll call the following answered present:

Benny Y. Yee, President
Leroy King, Vice President
Mark Dunlop (departs @ 9:05 p.m.)
Kathryn C. Palamountain
Ramon E. Romero
Michal Foriest Settles (departs @ 9:05 p.m.)
Darshan Singh (departs @ 9:05 p.m.)

DOCUMENTS DEPT.

and the following was absent:

SEP 13 2007

The President declared that a quorum was present.

SAN FRANCISCO
PUBLIC LIBRARY

James B. Morales, Executive Director, and staff members were also present.

CLOSED SESSION

- 2 (a) Pursuant to Government Code § 54957 and §54957.6, Appointment and Employment of Public Employee and Instructing the Agency's designated representative regarding Compensation for Unrepresented Employee: Executive Director. Agency Designated Representative: Agency Commission

MATTERS OF NEW BUSINESS

REGULAR AGENDA

- 5 (a) Resolution 127-2001, Authorizing Execution of an Employment Agreement with Marcia Rosen for the position of Executive Director of the Redevelopment Agency of the City and County of San Francisco effective July 9, 2001

Item 5 (a) above was continued to the July 10th Commission Meeting.

MOTION: IT WAS MOVED BY MR. KING, SECONDED BY MS. PALAMOUNTAIN, THAT ITEM 5 (a), RESOLUTION NO. 127-2001, AUTHORIZING EXECUTION OF AN EMPLOYMENT AGREEMENT WITH MARCIA ROSEN FOR THE POSITION OF EXECUTIVE DIRECTOR OF THE REDEVELOPMENT AGENCY OF THE CITY AND COUNTY OF SAN FRANCISCO EFFECTIVE JULY 9, 2001, BE CONTINUED TO THE JULY 10TH COMMISSION MEETING, AND ON ROLL CALL, THE FOLLOWING VOTED "AYE":

Mr. King
Ms. Palamountain
Mr. Romero
Mr. Yee

AND THE FOLLOWING VOTED "NAY":

AND THE FOLLOWING WERE ABSENT.

Mr. Dunlop
Ms. Forrest Settles
Mr. Singh

THE SECRETARY DECLARED THE RESULTS OF THE ROLL CALL VOTE, FOUR (4) AYES AND THREE (3) ABSENT.

THE PRESIDENT THEREUPON DECLARED THAT THE MOTION CARRIED.

REPORT OF THE PRESIDENT

- President Yee asked the Director for an update regarding the Agency Secretary's salary adjustment and status of communication with Local 790 regarding the bargaining rights for the Executive Assistant positions.
- Announced the farewell reception for outgoing Executive Director James B. Morales to be held on Friday, July 6th at 3:00 p.m. at the Agency offices.

REPORT OF THE EXECUTIVE DIRECTOR

- Informed the Commission about the issuance of a RFQ for a Strategic Facilities Management for the Yerba Buena Gardens
- Informed the Commission about the issuance of a RFP for the Rincon Point – South Beach Community Facilities District for landscape maintenance

COMMISSIONERS' QUESTIONS AND MATTERS

- Commissioner Romero praised Executive Director Morales for doing a great job for the Agency and the City and wished him good luck.
- Commissioner Palamountain stated her admiration as well as sadness at Director Morales' departure. Ms. Palamountain remarked that she has learned a lot from working with Mr. Morales and wished him the best of luck in his future endeavors.
- Commissioner King asked that in light of the fact that the Agency would be without an Executive Director after July 6th, if Mr. Morales would consider staying on as Executive Director until July 10th in order to help the Commission at the July 10th meeting. Mr. King congratulated Mr. Morales and wished him luck on his bid to run for City Attorney.

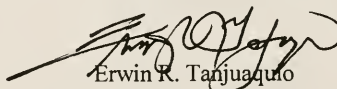
Mr. Morales responded that he would speak with the Commissioners about Commissioner King's request after concluding the Commission meeting.

- President Yee stated that he has known Mr. Morales for a long time when Mr. Morales was first appointed as an Agency Commissioner and wished him good luck in his future endeavors.

ADJOURNMENT

It was moved by Mr. King, seconded by Mr. Romero, and unanimously carried that the meeting be adjourned. The meeting adjourned at 9:20 p.m.

Respectfully submitted,


Erwin R. Tanjuaquino
Agency Secretary

APPROVED:

July 24, 2001

MINUTES OF A REGULAR MEETING OF THE
REDEVELOPMENT AGENCY OF THE CITY AND
COUNTY OF SAN FRANCISCO HELD ON THE
10TH DAY OF JULY 2001

The Commissioners of the Redevelopment Agency of the City and County of San Francisco met in a regular meeting at City Hall, 1 Dr. Carlton B. Goodlett Place, Room 416, in the City of San Francisco, California, at 4:00 p.m. on the 10th day of July, 2001, the place and date duly established for holding of such a meeting.

The President called the meeting to order and on roll call the following answered present:

Benny Y. Yee, President
Leroy King, Vice President
Mark Dunlop
Kathryn C. Palamountain
Ramon E. Romero
Michal Foriest Settles
Darshan Singh

DOCUMENTS DEPT.

and the following was absent:

SEP 13 2007

The President declared that a quorum was present.

SAN FRANCISCO
PUBLIC LIBRARY

James B. Morales, Executive Director, and staff members were also present.

Commissioner King raised an issue regarding the Executive Director pointing out that Director Morales has resigned but is present at today's meeting and asked under what authority the Commission is conducting its meeting and what procedure the Commission is operating under.

President Yee in response to Mr. King's concerns, asked the Agency General Counsel for an opinion.

Deputy General Counsel Penny Nakatsu (acting as General Counsel), restated the question about the Executive Director, "Is Mr. Morales the Executive Director for purposes of the Commission meeting?" President Yee acknowledged that was the question.

Ms. Nakatsu stated she understood that at the last Commission meeting, Mr. Morales tendered his resignation effective July 6th but that the Commission did not accept his resignation and instead asked him to stay on as Executive Director until July 10th. Ms. Nakatsu explained that Mr. Morales is in the Executive Director position through (today) July 10th pursuant to the Commission's direction.

President Yee reiterated Ms. Nakatsu's explanation and asked for a discussion among the Commissioners on this issue.

Commissioner Dunlop asked if he could ask Mr. Morales a question as to what he (Mr. Morales) thought he was doing there at the meeting. President Yee advised Mr. Dunlop that it was not appropriate to question the Executive Director.

Commissioner Dunlop stated that it was obvious that Mr. Morales was requested to stay until today (July 10th) to help the Commission through the meeting.

Commissioner Romero remarked that he was not sure why this matter is being discussed and suggested that if there was uncertainty, that the Commission could approve Mr. Morales staying at the meeting. Mr. Romero pointed out that this was a highly technical point and the Commission should not spend time arguing about the Executive Director position. Mr. Romero stated that if Commissioner King wants to have official action taken, then the Commission should dispense with that and move on, pointing out that one way or another Mr. Morales is gone after today (July 10th).

Commissioner King stated he had no problem with the Director being present but that the Commission should not rush without having debate on the matter. Mr. King commented that the Commission does not operate this way and the public should know that proper procedures are not being followed. Mr. King stated that he is simply raising questions about how the Commission is operating.

President Yee reminded everyone that the Agency is under constant public scrutiny as the Commission meetings are broadcast on radio and are shown in closed circuit television inside City Hall and it is important for the public to know these issues and that it is not a waste of time.

Commissioner Dunlop stated that it is important for the public to know that Commissioner King was the one who requested Mr. Morales to stay on and pointed out that Deputy Executive Director Helen Sause is present and can assist the Commission if necessary.

Commissioner Romero recalled the same as Commissioner Dunlop and advised everyone that we have an answer from the General Counsel and the Commission should move on.

President Yee asked the Agency Secretary make sure to document General Counsel's comments and stated that to the best of his knowledge, Mr. Yee's understanding of General Counsel's interpretation is that Director Morales is not resigned until July 10th and that there is no need to consider and approve an extension for Mr. Morales (through July 10th). Mr. Yee stated that if the Commission agrees with this interpretation, the Commission can proceed with the Agenda.

Commissioner Palamountain stated she neither agree or disagree with President Yee's statements and suggested that the Commission move on.

President Yee stated that the President is now authorized to proceed with the Agenda and asked Director Morales to call the next item.

The Commission recessed to Closed Session.

CLOSED SESSION

- 3 (a) Pursuant to Government Code § 54957 and §54957.6, Appointment and Employment of Public Employee and Instructing the Agency's designated representative regarding Compensation for Unrepresented Employee: Executive Director. Agency Designated Representative: Agency Commission

MATTERS OF UNFINISHED BUSINESS

- 4 (a) Resolution 127-2001, Authorizing Execution of an Employment Agreement with Marcia Rosen for the position of Executive Director of the Redevelopment Agency of the City and County of San Francisco effective July 9, 2001

Presenters: James B. Morales (Agency staff)

President Yee asked about a hand-held computer requested by Marcia Rosen and Director Morales explained that this was part of the equipment list in the contract and that this particular item is a personal digital assistant.

Commissioner Romero puts forth a motion to adopt the item and stated his support for Marcia Rosen as Executive Director and added that Ms. Rosen is an excellent choice and extremely qualified for the position.

Commissioner Dunlop commented that he was pleased that Mayor has asked Marcia Rosen to be the Agency's Executive Director. Mr. Dunlop stated that Ms. Rosen is well qualified for the Executive Director position and that the Agency is very fortunate to have such a person to lead the Agency in its very important work. Mr. Dunlop seconds the motion.

Commissioner Foriest Settles welcomed and congratulated Marcia Rosen and added for the public's information that Ms. Rosen will be focusing her effort full time on the Agency's work but will also assist the Mayor's Office of Housing during the transition period.

Commissioner King stated that he was going along with the Employment Contract with Ms. Rosen because he felt that the rest of the Commissioners are going to vote for it, but remarked that the procedure for hiring a new Executive Director was rushed. Mr. King stated that Ms. Rosen with her qualifications is the best candidate but desires to have more discussion with Ms. Rosen as to how she plans to run the Agency. Mr. King remarked that the Commission has not had the opportunity to sit down with Ms. Rosen to discuss policy issues and the like. Mr. King suggested that a closed session be scheduled with Ms. Rosen to discuss Agency-wide policies. Mr. King stated that he would vote for the contract, that Ms. Rosen is the Mayor's choice but that there are still a lot of things to be cleared up.

Commissioner Palamountain stated that she was glad that Commissioner King brought up the issue of Agency policies and explained that her on going concerns about low income housing is one that is consistent with Ms. Rosen's previous and continuing work on the development of affordable housing in San Francisco. Ms. Palamountain stated her support for Ms. Rosen and remarked that she is well qualified because of her track record in low-income housing and that the Agency is very lucky to have her as its Executive Director.

Commissioner Singh also welcomed Marcia Rosen and remarked that Ms. Rosen will be a great Executive Director.

President Yee addressed Ms. Rosen and stated that it looks like she is going to be appointed as the Agency's new Executive Director and that she has the full support of the Commission. Mr. Yee commented that he hoped during the rest of his term as President that there would be an open dialogue between Ms. Rosen and him. Mr. Yee shared the same concern as Mr. King that he would like to have the opportunity to discuss Ms. Rosen's plans for running the Agency and to share those plans with the Commission, in particular the hiring of employees. Mr. Yee stated that the Commission respects our Mayor and is a great leader of our City and that what the Mayor supports the Commission will likely support.

Note: Resolution No. 127-2001 was amended to change the effective date of Marcia Rosen's employment contract from July 9, 2001 to July 11, 2001.

ADOPTION: IT WAS MOVED BY MR. ROMERO, SECONDED BY MR. DUNLOP, THAT ITEM 4 (a) RESOLUTION 127-2001, AUTHORIZING EXECUTION OF AN EMPLOYMENT AGREEMENT WITH MARCIA ROSEN FOR THE POSITION OF EXECUTIVE DIRECTOR OF THE REDEVELOPMENT AGENCY OF THE CITY AND COUNTY OF SAN FRANCISCO EFFECTIVE JULY 11, 2001, BE ADOPTED AND ON ROLL CALL, THE FOLLOWING VOTED "AYE":

Mr. Dunlop
Mr. King
Ms. Palamountain
Mr. Romero
Ms. Foriest Settles
Mr. Singh
Mr. Yee

AND THE FOLLOWING VOTED "NAY":

AND THE FOLLOWING WERE ABSENT.

THE SECRETARY DECLARED THE RESULTS OF THE ROLL CALL VOTE, SEVEN (7) AYES.

THE PRESIDENT THEREUPON DECLARED THAT RESOLUTION NO. 127-2001 IS ADOPTED.

President Yee congratulated Marcia Rosen as the Agency's new Executive Director and invited her to say a few words.

Newly appointed Executive Director Marcia Rosen thanked the Commission for its vote of confidence and stated that she is taking on the challenge knowing the very important work of the Agency. Ms. Rosen pledged to work closely with the Commission to engage the community in fulfilling the work and mission of the Agency.

- 4 (b)** Resolution No. 94-2001, Authorizing the Executive Director to Execute a Personal Services Contract with EDAW Inc. in an amount not to exceed \$1,237,965 for Architecture and Engineering Services for the South Beach Park and Harbor Improvement Project, and Authorizing the Executive Director to expend up to an additional \$25,000 for additional services under the Contract; Rincon Point-South Beach Redevelopment Project Area

Presenters: Amy Neches (Agency staff)

Speakers: Michael Sweet, Dick Locke

Commissioner Romero puts forth a motion to adopt the item.

Commissioner Singh asked which East Indian firm was working on the contract and for how much.

Commissioner Dunlop urged support for this item, commenting that the Agency has hit a roadblock on this issue and is glad to see it back before the Commission. Mr. Dunlop pointed out that the CAC has voted unanimously in support of approving this contract and the community has spoken which should allay any concerns about the harbor being returned to the Port and the fact that the youth program at the harbor is being held up until the improvements are made.

Commissioner Foriest Settles referred to the communication from the Port and asked if the costs for the improvements are included in the Agency's budget and inquired about resolution of harbor re-staffing. Ms. Foriest Settles expressed her appreciation to the Port for laying out all of the issues in their letter to the Agency. Ms. Foriest Settles asked if the Port is saying that the harbor staff is not adequate. She inquired about when the site investigation would start and who would conduct the investigation. Ms. Foriest Settles went on record stating her appreciation to Port staff's hard work as well as Agency staff and commended staff on the consultant team's diversity. Ms. Foriest Settles asked about the additional \$25,000 expenditure authority included in the contract.

Commissioner King addressed his comments to the representative of the CAC and stated that he has received threatening phone calls telling him to resign from the Commission. Mr. King stated that he does not have any respect for the CAC if they resort to threatening phone calls. Mr. King reminded that the CAC is advisory to the Commission and it is the responsibility of the Commission to make the decisions. Mr. King reiterated his position that the harbor and park should be turned-over to the Port and suggested that the new Executive Director sit down with the Port director to strategize and evaluate the transfer of the harbor operations. Mr. King pointed out that the Agency is a developer and not a landlord and the Port should take over the harbor.

Commissioner Palamountain acknowledged that there has been a lot of public interest on this issue and recalled that when she ran the San Francisco Marathon over the weekend, that she was able to see the harbor first hand and observed that there are still some blight present and that access to the waterfront was not particularly great, which is a high priority for her. Ms. Palamountain stated that one of things she liked about the proposed contract was that it addresses the waterfront public access issues in that access would be improved in a variety of ways; disadvantaged youth as well as disable persons will have access to this part of the waterfront. Ms. Palamountain expressed her appreciation to staff and the consultant team as well as the community for including all of the needs of the larger community in their proposal. Ms. Palamountain was very pleased to see an excellent example of contracting diversity that results in high-quality collaboratives for such an important project. Ms. Palamountain seconds the motion.

Commissioner King agreed that the consultant team diversity is good but he is still concerned with the transfer to the Port. Mr. King commented that there is no one that loves the waterfront more than he because he has spent most of his life on the waterfront and urged that the new Director work with the Port to shorten the time period of two to three years to transferring the harbor to the Port.

President Yee was troubled by threats to Commissioner King and requested staff to investigate the matter and report back to the Commission.

Commissioner Singh stated his surprise about the threats to Commissioner King and remarked that this is very bad and that he does not like it at all.

Commissioner Romero advised his fellow Commissioners to not make judgements and await the facts.

ADOPTION: IT WAS MOVED BY MR. ROMERO, SECONDED BY MS. PALAMOUNTAIN, THAT ITEM 4 (b) RESOLUTION NO. 94-2001, AUTHORIZING THE EXECUTIVE DIRECTOR TO EXECUTE A PERSONAL SERVICES CONTRACT WITH EDAS INC. IN AN AMOUNT NOT TO EXCEED \$1,237,965 FOR ARCHITECTURE AND ENGINEERING SERVICES FOR THE SOUTH BEACH PARK AND HARBOR IMPROVEMENT PROJECT, AND AUTHORIZING THE EXECUTIVE DIRECTOR TO EXPEND UP TO AN ADDITIONAL \$25,000 FOR ADDITIONAL SERVICES UNDER THE CONTRACT; RINCON POINT-SOUTH BEACH REDEVELOPMENT PROJECT AREA, BE ADOPTED AND ON ROLL CALL, THE FOLLOWING VOTED "AYE":

Mr. Dunlop
Mr. King
Ms. Palamountain
Mr. Romero
Ms. Foriest Settles

AND THE FOLLOWING VOTED "NAY":

Mr. Singh
Mr. Yee

AND THE FOLLOWING WERE ABSENT.

THE SECRETARY DECLARED THE RESULTS OF THE ROLL CALL VOTE, FIVE (5) AYES, AND TWO (2) NOES.

THE PRESIDENT THEREUPON DECLARED THAT RESOLUTION NO. 94-2001 IS ADOPTED.

REGULAR AGENDA

- 5 (a)** Resolution No. 128-2001, Commending and Expressing Appreciation to James B. Morales for his dedicated service upon his departure from the Redevelopment Agency of the City and County of San Francisco

Speakers: Marcia Rosen, Doris Vincent, Carmen Johnson, Helen Sause, Michael Harris, Charles Range, Reginald Forrest, Erwin R. Tanjuaquio, Ora Williams, Olson Lee, Gina Solis, Jim Nybakken, Shirley Wysinger.

All of the speakers thanked Mr. Morales for his service and wished him well

Commissioner Romero recalled when he was first appointed as an Agency Commissioner in 1998 and since that time, he has been very impressed with Mr. Morales' performance and has done a marvelous job getting through some very difficult issues. Mr. Romero stated that Mr. Morales reminds him of his early work experience of four years with the United Farm Workers with the last two years working with Cesar Chavez in the same office. Mr. Romero remarked that there are very few times when one finds the kind of dedication such as those of Cesar Chavez and many years have past since that time and it is not often that you meet people with that kind of dedication combined with intelligence and all the skills that Jim has. Mr. Romero stated that it has been a pleasure serving with Jim at the Agency and that he will miss Mr. Morales. Mr. Romero added that whatever Jim pursues he will be successful and that he has left a good structure at the Agency that will allow Ms. Rosen to continue the good work that Jim was able to do.

Commissioner Singh stated that he has known Mr. Morales for 14 years dating back to Mayor Agnos' administration following passage of Proposition D that formed the Parking and Traffic Commission, which Mr. Singh chaired, and as well when Mr. Morales was appointed to the Planning Commission. Mr. Singh also recalled when Mayor Brown appointed Mr. Morales to the Agency Commission stating that he had the pleasure of welcoming him to the Commission as he was the President at the time. Mr. Singh commented that the time he spent with Mr. Morales was enjoyable and although they did not always agree on everything he wished Mr. Morales good luck and thanked him for his good work.

Commissioner Dunlop stated that it is really difficult to say goodbye and explained that he has been working with Jim since he became Director and have enjoyed working with Jim on the many fights on many issues ranging from multi-million dollar projects to parks. Mr. Dunlop stated that he has come to admire Jim in his ability to work through very tough issues because Jim makes his recommendations based upon what he feels in his heart. Mr. Dunlop stated that the word integrity sums up how Jim has conducted himself and that it would be hard to replace him although we have someone good to take his place. Mr. Dunlop wished Mr. Morales good luck and remarked that he would be good as City Attorney.

Commissioner Foriest Settles congratulated Mr. Morales and wished him good luck in his future endeavors. Ms. Foriest Settles stated that she has not known Jim for a long time as she has only been on the Commission for a short while and recalled some reflections when she was in her early school years and was given the advice that one must learn their lessons because they are just going to be more difficult as one goes forward. Ms. Foriest Settles stated that she has to believe that Jim's experience as Executive Director for the last four years is going to prepare him for what is yet to come, that lessons Jim has learned at the Agency will serve him well as he goes forward. Ms. Foriest Settles stated that although she did not have the privilege to work with Jim, she does wish him well and thanked him for his hard work.

Commissioner Palamountain expressed her appreciation and respect for Mr. Morales stating that he has shown his wisdom and she has learned a lot from him. Ms. Palamountain stated that she has learned from Jim about integrity, dignity, effective advocacy and principled decision making. Ms. Palamountain thanked Mr. Morales for the lessons learned and wished him the very best.

Commissioner King commented that Mr. Morales has always been honest and although they have not always agreed with each other, he wished him well and congratulated him. Mr. King offered to help out with anything that Mr. Morales might need as he pursues the City Attorney post.

President Yee shared he has mixed feelings because he has known Jim for a number of years, first as a fellow Commissioner and as Executive Director. Mr. Yee stated that he was sad that Mr. Morales was leaving the Agency but pointed out that Jim is still a young man and have a very promising career ahead of him and wished Jim good luck.

Items 5 (b) and (c) below were recommended to be rescheduled to the Commission Meeting of July 24th.

- 5 (b)** Public Hearing to hear all persons interested in the Lease of Land located at 720 La Playa Street; Authorizing a Ground Lease with Ocean Beach Apartments, L.P., for the Agency's interest in the land at 720 La Playa Street; all as part of the Agency's Housing Preservation Program; Citywide Tax Increment Housing Program

Authorizing the Executive Director to: 1) Execute a Ground Lease with Ocean Beach Apartments, L.P. , for the land at 720 La Playa Street; 2) Enter into a Tax Increment Loan Agreement with Ocean Beach Apartments, L.P., a California limited partnership, for an amount not to exceed \$453,125 for the acquisition and rehabilitation of 85 units of very low income housing at 720 La

Playa Street, the Ocean Beach Apartments; and 3) Execute all related actions and documents to enable the acquisition and renovation of the Ocean Beach Apartments, 85 units of very low income housing, all as part of the Agency's Housing Preservation Program; Citywide Tax Increment Housing Program

MOTION: IT WAS MOVED BY MR. SINGH, SECONDED BY MR. ROMERO, AND UNANIMOUSLY CARRIED THAT ITEM 5 (b) BE RESCHEDULED TO THE JULY 24TH COMMISSION MEETING.

- 5 (c) Resolution of the Redevelopment Agency of the City and County of San Francisco Authorizing the Issuance, Sale and Delivery of Multifamily Housing Revenue Bonds (Ocean Beach Apartments) 2001 Series A in an aggregate amount not to exceed \$6,200,000; Multifamily Housing Revenue Bonds (Ocean Beach Apartments) 2001 Series B in an aggregate amount not to exceed \$2,900,000; Multifamily Housing Revenue Bonds (Ocean Beach Apartments) 2001 Series C1 in an aggregate amount not to exceed \$1,600,000; Taxable Multifamily Housing Revenue Bonds (Ocean Beach Apartments) 2001 Series C2 in an aggregate amount not to exceed \$2,500,000; Taxable Multifamily Housing Revenue Bonds (Ocean Beach Apartments) 2001 Series D in an aggregate amount not to exceed \$1,800,000; Determining and Prescribing certain matters relating thereto, and Approving and Authorizing related actions and the Execution and Delivery of documents relating thereto

MOTION: IT WAS MOVED BY MR. SINGH, SECONDED BY MR. ROMERO, AND UNANIMOUSLY CARRIED THAT ITEM 5 (c) BE RESCHEDULED TO THE JULY 24TH COMMISSION MEETING.

REPORT OF THE PRESIDENT

- Asked for status report on Agency Secretary's salary raise issue
- Asked about status of insurance issue on 474 Natoma project
- RFP for Plaza Hotel – suggested that the Commission look at restructuring the RFP process

REPORT OF THE EXECUTIVE DIRECTOR

- Announced community meetings regarding parcel 732-A scheduled for July 12th from 6:00 to 8:00 p.m. and July 14th from 9:00 to 11:00 a.m. at the West Bay Conference Center.
- Agency budget before the full Board of Supervisors in two weeks.

COMMISSIONERS' QUESTIONS AND MATTERS

- Commissioner Foriest Settles informed the Agency Secretary that a member of the South Beach CAC had left a telephone message urging support for the harbor project
- Commissioner Singh reported the same contact from the South Beach CAC

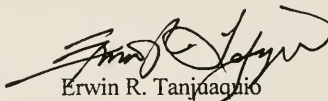
CLOSED SESSION

- (a) Pursuant to Government Code §54956.9(c), Conference with Legal Counsel regarding initiation of litigation: one potential case.

ADJOURNMENT

It was moved by Mr. Romero, seconded by Mr. King, and unanimously carried that the meeting be adjourned. The meeting adjourned at 7:44 p.m.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "Erwin R. Tanjiao", is written over the printed name.

Erwin R. Tanjiao
Agency Secretary

APPROVED:

July 24, 2001

MINUTES OF A REGULAR MEETING OF THE
REDEVELOPMENT AGENCY OF THE CITY AND
COUNTY OF SAN FRANCISCO HELD ON THE
17TH DAY OF JULY 2001

The Commissioners of the Redevelopment Agency of the City and County of San Francisco met in a regular meeting at City Hall, 1 Dr. Carlton B. Goodlett Place, Room 416, in the City of San Francisco, California, at 4:00 p.m. on the 17th day of July, 2001, the place and date duly established for holding of such a meeting.

The President called the meeting to order and on roll call the following answered present:

Benny Y. Yee, President
Leroy King, Vice President
Mark Dunlop
Michal Foriest Settles
Darshan Singh

and the following were absent:

Kathryn C. Palamountain
Ramon E. Romero

DOCUMENTS DEPT.

SEP 13 2007

The President declared that a quorum was present.

Marcia Rosen, Executive Director, and staff members were also present.

SAN FRANCISCO
PUBLIC LIBRARY

Note: This is the first Commission Meeting, July 17, 2001, for newly appointed Executive Director Marcia Rosen.

Agency Secretary Erwin R. Tanjuaquio made the following announcement:
The regularly scheduled meeting of the Housing Committee for July 17, 2001
is cancelled.

MATTERS OF NEW BUSINESS – CONSENT AGENDA

4 (a) Approval of Minutes: Meeting of June 26 2001

4 (b) Resolution No. 129-2001, Authorizing a Second Amendment to the Amended and Restated Housing Opportunities for Persons With AIDS Capital Loan Agreement with the Housing Services Affiliate of the Bernal Heights Neighborhood Center to Revise the Commencement and Completion dates for rehabilitation work to be completed at Stinson House located at 119-121 Holly Park Circle, San Francisco

- 4 (c) Resolution No. 130-2001, Authorizing a Second Amendment to the Amended and Restated Housing Opportunities for Persons With AIDS Capital Loan Agreement with the Housing Services Affiliate of the Bernal Heights Neighborhood Center to Revise the Commencement and Completion dates for the rehabilitation work to be completed at the Hazel Betsy House located at 3554 17th Street, San Francisco
- 4 (d) Resolution No. 131-2001, Authorizing a Second Amendment to the Amended and Restated Housing Opportunities for Persons With AIDS Capital Loan Agreement with the Housing Services Affiliate of the Bernal Heights Neighborhood Center to Revise the Commencement and Completion dates for the rehabilitation work to be completed at Precita House located at 416 Precita Avenue, units A and B, San Francisco

ADOPTION: IT WAS MOVED BY MR. SINGH, SECONDED BY MR. KING, AND UNANIMOUSLY CARRIED (MS. PALAMOUNTAIN AND MR. ROMERO ABSENT), THAT CONSENT AGENDA ITEMS 4 (a) APPROVAL OF MINUTES: MEETING OF JUNE 26 2001; 4 (b) RESOLUTION NO. 129-2001, AUTHORIZING A SECOND AMENDMENT TO THE AMENDED AND RESTATED HOUSING OPPORTUNITIES FOR PERSONS WITH AIDS CAPITAL LOAN AGREEMENT WITH THE HOUSING SERVICES AFFILIATE OF THE BERNAL HEIGHTS NEIGHBORHOOD CENTER TO REVISE THE COMMENCEMENT AND COMPLETION DATES FOR REHABILITATION WORK TO BE COMPLETED AT STINSON HOUSE LOCATED AT 119-121 HOLLY PARK CIRCLE, SAN FRANCISCO; 4 (c) RESOLUTION NO. 130-2001, AUTHORIZING A SECOND AMENDMENT TO THE AMENDED AND RESTATED HOUSING OPPORTUNITIES FOR PERSONS WITH AIDS CAPITAL LOAN AGREEMENT WITH THE HOUSING SERVICES AFFILIATE OF THE BERNAL HEIGHTS NEIGHBORHOOD CENTER TO REVISE THE COMMENCEMENT AND COMPLETION DATES FOR THE REHABILITATION WORK TO BE COMPLETED AT THE HAZEL BETSY HOUSE LOCATED AT 3554 17TH STREET, SAN FRANCISCO 4 (d) RESOLUTION NO. 131-2001, AUTHORIZING A SECOND AMENDMENT TO THE AMENDED AND RESTATED HOUSING OPPORTUNITIES FOR PERSONS WITH AIDS CAPITAL LOAN AGREEMENT WITH THE HOUSING SERVICES AFFILIATE OF THE BERNAL HEIGHTS NEIGHBORHOOD CENTER TO REVISE THE COMMENCEMENT AND COMPLETION DATES FOR THE REHABILITATION WORK TO BE COMPLETED AT PRECITA HOUSE LOCATED AT 416 PRECITA AVENUE, UNITS A AND B, SAN FRANCISCO, BE ADOPTED.

REGULAR AGENDA

Items 4 (e) and 4 (f) are related matters and were presented together and acted upon separately.

- 4 (e)** Resolution No. 132-2001, Authorizing a Revision to the Basement and Sidewalk Enhancement Program to provide Grants to Sixth Street Property Owners for Engineering Services for improved sidewalks along Sixth Street, South of Market Earthquake Recovery Redevelopment Project Area

Presenters: William Carney (Agency staff)

Speakers: Roger Gordon (SOM Foundation, Sam Sin (property owner)

- 4 (f)** Resolution No. 133-2001, Authorizing a Second Amendment to the Letter Agreement with the Mayor's Office of Community Development, which increases the amount of compensation by \$21,000 for entering into and administering the business development contract with South of Market Foundation, a California non-profit public benefit corporation; South of Market Earthquake Recovery Redevelopment Area

President Yee asked how many blocks consist the Sixth Street corridor and how many property owners involved with the Basement and Sidewalk project. Mr. Yee inquired about the list of six engineers for the property owner's selection and asked why there are only six engineering firms.

Commissioner Singh asked who is responsible for the mechanical problems on Sixth Street and if the \$1 million budget is sufficient to complete the project.

President Yee asked if the property owners will be reimbursed for their costs and if the engineers would be hired directly by the property owners. Mr. Yee asked if Agency staff would look at other cost estimates for the work.

Commissioner Foriest Settles stated her support for the program and asked if staff has thought about economies of scale in light of the fact that there are abutting properties with similar situations, which could result in substantial savings in the engineering costs. Ms. Foriest Settles inquired as to how many property owners have utilities located in their basements (referring to property owner Sam Sin's situation). Ms. Foriest Settles requested a "before and after" look at the basement and sidewalk project.

ADOPTION: IT WAS MOVED BY MS. FORIEST SETTLES, SECONDED BY MR. KING, AND UNANIMOUSLY CARRIED (MS. PALAMOUNTAIN AND MR. ROMERO ABSENT), THAT ITEM 4 (e) RESOLUTION NO. 132-2001, AUTHORIZING A REVISION TO THE BASEMENT AND SIDEWALK ENHANCEMENT PROGRAM TO PROVIDE GRANTS TO SIXTH STREET PROPERTY OWNERS FOR ENGINEERING SERVICES FOR IMPROVED SIDEWALKS ALONG SIXTH STREET, SOUTH OF MARKET EARTHQUAKE RECOVERY REDEVELOPMENT PROJECT AREA, BE ADOPTED

ADOPTION: IT WAS MOVED BY MR. DUNLOP, SECONDED BY MR. SINGH, AND UNANIMOUSLY CARRIED (MS. PALAMOUNTAIN AND MR. ROMERO ABSENT), THAT ITEM 4 (f) RESOLUTION NO. 133-2001, AUTHORIZING A SECOND AMENDMENT TO THE LETTER AGREEMENT WITH THE MAYOR'S OFFICE OF COMMUNITY DEVELOPMENT, WHICH INCREASES THE AMOUNT OF COMPENSATION BY \$21,000 FOR ENTERING INTO AND ADMINISTERING THE BUSINESS DEVELOPMENT CONTRACT WITH SOUTH OF MARKET FOUNDATION, A CALIFORNIA NON-PROFIT PUBLIC BENEFIT CORPORATION; SOUTH OF MARKET EARTHQUAKE RECOVERY REDEVELOPMENT AREA, BE ADOPTED

- 4 (g) Resolution No. 134-2001, Authorizing the Executive Director to Exercise the Extension Option for the South of Market Project Area Committee Office Lease for three years with Mercy Housing California, a California non-profit corporation, located at 1035 Folsom Street and Expend up to \$76,529 for all three years for rent and related expenses; South of Market Earthquake Recovery Redevelopment Project Area

Presenters: William Carney (Agency staff)

Speakers: Antoinetta Stadlman (SOM PAC)

President Yee remarked that the rent seems reasonable and asked if the PAC office is on the street level and if the building is new or old. Mr. Yee asked about the annual rent increase rate for the PAC office.

ADOPTION: IT WAS MOVED BY MR. SINGH, SECONDED BY MR. DUNLOP, AND UNANIMOUSLY CARRIED (MS. PALAMOUNTAIN AND MR. ROMERO ABSENT), THAT ITEM 4 (g) RESOLUTION NO. 134-2001, AUTHORIZING THE EXECUTIVE DIRECTOR TO EXERCISE THE EXTENSION OPTION FOR THE SOUTH OF MARKET PROJECT AREA COMMITTEE OFFICE LEASE FOR THREE YEARS WITH MERCY HOUSING CALIFORNIA, A CALIFORNIA NON-PROFIT CORPORATION, LOCATED AT 1035 FOLSOM STREET AND EXPEND UP TO \$76,529 FOR ALL THREE YEARS FOR RENT AND RELATED EXPENSES; SOUTH OF MARKET EARTHQUAKE RECOVERY REDEVELOPMENT PROJECT AREA, BE ADOPTED

PERSONS WISHING TO ADDRESS THE MEMBERS ON NON-AGENDA, BUT AGENCY RELATED MATTERS:

Reverend Boyd, Charlie Walker, Nathaniel Mason (Welcoming remarks to newly appointed Executive Director Marcia Rosen)

REPORT OF THE PRESIDENT

- Informed the Commission that Agency Secretary Erwin R. Tanjuaquio is taking his first vacation beginning August 3 to August 17, 2001.
- Announced a proposal to modify the RFP process regarding the following issues: (1) disclosure requirement for board members of non-profit organizations with no exceptions, (2) oversight and control of commercial establishment's income within housing developments, and (3) current five-year disclosure requirement should be seven years. Mr. Yee stated that the RFP process should be fair to all and referred to the recently enacted SB 2113 which provides additional expenditure authority of \$200 million to the Agency for the development of affordable housing, pointing out that the allocation of such public dollars must be done in a fair and equitable manner. Mr. Yee stated that he had hoped to place this matter on the Agenda for next week (July 24th) but after conferring with Director Rosen, Mr. Yee is looking to place the matter on the Agenda of July 31st.

REPORT OF THE EXECUTIVE DIRECTOR

- Informed the Commission about the wonderful reception by Agency staff on her first week at the Agency. Ms. Rosen commented that she was very impressed with staff's dedication and excellent work.
- Board of Supervisors approval of the Agency's 2001-02 budget with only minor adjustments. Ms. Rosen remarked that the budget was well received by the Board of Supervisors and acknowledged the good work of Mr. Morales.

- Official announcement from MTC about the City receiving two grants, first a \$1.6 million grant for Phase 3 of the Bayview Connections project in Bayview and a \$1.14 million grant as part of a housing incentive program to recognize the good work of the Agency and the City in promoting transit oriented development in Mission Bay. Ms. Rosen pointed out that these substantial grants are a result of collaborative work between Agency staff and the Transportation Authority.
- Attended the public meeting on Parcel 732-A held on July 12th at the West Bay Conference Center. Another meeting was held on July 14th and the next scheduled meeting is on July 26th.
- Fourth annual Third Street Fair in Bayview with participation by Agency staff, Bayview PAC members and the community. The Fair was well attended and used as an opportunity to conduct additional outreach for the Bayview Concept Plan and to gather public input on the Agency's work in Bayview.
- Litigation filed on July 16th on the College of Podiatry matter.

COMMISSIONERS' QUESTIONS AND MATTERS

- Commissioner King shared that he had just met the Agency's new Finance Director, Ayisha Benham when he came to the Agency offices to attend the Agenda Review meeting. Mr. King asked the Director why Ms. Benham was not introduced to the Commission.
- Commissioner Singh also stated that he had not met Ms. Benham.

Executive Director Rosen informed the Commission that Ms. Benham was introduced to the Commission at the June 26th meeting (Commissioners King and Singh had left the June 26th meeting early and were not present when Ms. Benham was introduced).

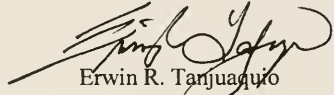
CLOSED SESSION

- (a) Pursuant to Government Code Section 54956.9(b)(3)(B): Conference with Legal Counsel regarding Yerba Buena Gardens (CB-3) construction contract dispute.

ADJOURNMENT

It was moved by Ms. Foriest Settles, seconded by Mr. Dunlop, and unanimously carried that the meeting be adjourned. The meeting adjourned at 5:24 p.m.

Respectfully submitted,



Erwin R. Tanjuaquio
Agency Secretary

APPROVED:

July 24, 2001

MINUTES OF A REGULAR MEETING OF THE
REDEVELOPMENT AGENCY OF THE CITY AND
COUNTY OF SAN FRANCISCO HELD ON THE
24TH DAY OF JULY 2001

The Commissioners of the Redevelopment Agency of the City and County of San Francisco met in a regular meeting at City Hall, 1 Dr. Carlton B. Goodlett Place, Room 416, in the City of San Francisco, California, at 4:39 p.m. on the 24th day of July, 2001, the place and date duly established for holding of such a meeting.

The President called the meeting to order and on roll call the following answered present:

Benny Y. Yee, President
Leroy King, Vice President
Mark Dunlop
Ramon E. Romero
Michal Foriest Settles
Darshan Singh

and the following were absent:

Kathryn C. Palamountain

DOCUMENTS DEPT.

SEP 13 2007

The President declared that a quorum was present.

SAN FRANCISCO
PUBLIC LIBRARY

The Commission met in a Special Meeting as the Housing Committee of the Affordable Housing and Home Ownership Bond Program before commencing the Regular Meeting Agenda. The Housing Committee meeting was called to order at 4:00 p.m. and adjourned at 4:32 p.m.

Marcia Rosen, Executive Director, and staff members were also present.

Executive Director Marcia Rosen introduced William E. Smith, Executive Office Assistant, whom is assisting Agency Secretary Erwin R. Tanjuaquio and who will stand in as Agency Secretary while Mr. Tanjuaquio is on vacation.

REPORT ON ACTIONS TAKEN AT PREVIOUS CLOSED SESSION MEETING, IF ANY.

Executive Director Marcia Rosen reported that a settlement has been reached with LDA Architects, pursuant to the Commission's direction.

MATTERS OF NEW BUSINESS – CONSENT AGENDA

- 4 (a) Approval of Minutes: Meetings of July 3, 10, and 17, 2001
- 4 (b) Resolution No. 135-2001, Authorizing a Seventh Amendment to the Letter Agreement with the Treasure Island Development Authority, Increasing the amount of the Agreement by \$26,000 for a total contract amount of \$233,250 and extending the term to December 31, 2001
- 4 (c) Resolution No. 136-2001, Authorizing a Second Amendment to the Housing Opportunities for Persons With AIDS (HOPWA) Capital Loan Agreement with Tenderloin Neighborhood Development Corporation, a California nonprofit corporation, to modify the construction commencement date in conjunction with rehabilitation of 134 extremely low income rental units at the Ambassador Hotel, 55 Mason Street, San Francisco

Commissioner Foriest Settles had a minor revision to correct a misspelling of the word “form” to “from” on page 6, last paragraph of the July 10th minutes.

ADOPTION: IT WAS MOVED BY MR. DUNLOP, SECONDED BY MR. ROMERO, AND UNANIMOUSLY CARRIED (MS. PALAMOUNTAIN ABSENT), THAT CONSENT AGENDA ITEMS 4 (a) APPROVAL OF MINUTES: MEETINGS OF JULY 3, 10, AND 17, 2001; 4 (b) RESOLUTION NO. 135-2001, AUTHORIZING A SEVENTH AMENDMENT TO THE LETTER AGREEMENT WITH THE TREASURE ISLAND DEVELOPMENT AUTHORITY, INCREASING THE AMOUNT OF THE AGREEMENT BY \$26,000 FOR A TOTAL CONTRACT AMOUNT OF \$233,250 AND EXTENDING THE TERM TO DECEMBER 31, 2001; AND 4 (c) RESOLUTION NO. 136-2001, AUTHORIZING A SECOND AMENDMENT TO THE HOUSING OPPORTUNITIES FOR PERSONS WITH AIDS (HOPWA) CAPITAL LOAN AGREEMENT WITH TENDERLOIN NEIGHBORHOOD DEVELOPMENT CORPORATION, A CALIFORNIA NONPROFIT CORPORATION, TO MODIFY THE CONSTRUCTION COMMENCEMENT DATE IN CONJUNCTION WITH REHABILITATION OF 134 EXTREMELY LOW INCOME RENTAL UNITS AT THE AMBASSADOR HOTEL, 55 MASON STREET, SAN FRANCISCO, BE ADOPTED.

REGULAR AGENDA

Items 4 (I) was taken out of order and considered as the first item of the regular agenda.

- 4 (I)** Resolution No. 145-2001, Authorizing the Reallocation of \$81,500 from the Chinatown Economic Development Fund's Loan Program Line Item to the Administrative Line Item and Authorizing a tenth Amendment to the Personal Service Contract with the Chinatown Economic Development Group in an amount not to exceed \$81,500 for a total aggregate contract amount not to exceed \$624,623 to provide administrative services in support of the implementation of the Chinatown Economic Development Plan for the period of August 1, 2001 through July 31, 2002

Presenters: Isabella Wong (Agency staff), Arnold Chin (CDEG)

Speakers: Wong Wing Sun, Cathie Lam

Commissioner Romero thanked Arnold Chin for his presentation and status report and puts forth a motion to adopt the item.

Commissioner Singh thanked Arnold Chin for doing a great job.

Commissioner King also commended Arnold Chin for doing a great job.

ADOPTION: IT WAS MOVED BY MR. ROMERO, SECONDED BY MR. SINGH, AND UNANIMOUSLY CARRIED (MS. PALAMOUNTAIN ABSENT) THAT, ITEM 4 (I) RESOLUTION NO. 145-2001, AUTHORIZING THE REALLOCATION OF \$81,500 FROM THE CHINATOWN ECONOMIC DEVELOPMENT FUND'S LOAN PROGRAM LINE ITEM TO THE ADMINISTRATIVE LINE ITEM AND AUTHORIZING A TENTH AMENDMENT TO THE PERSONAL SERVICE CONTRACT WITH THE CHINATOWN ECONOMIC DEVELOPMENT GROUP IN AN AMOUNT NOT TO EXCEED \$81,500 FOR A TOTAL AGGREGATE CONTRACT AMOUNT NOT TO EXCEED \$624,623 TO PROVIDE ADMINISTRATIVE SERVICES IN SUPPORT OF THE IMPLEMENTATION OF THE CHINATOWN ECONOMIC DEVELOPMENT PLAN FOR THE PERIOD OF AUGUST 1, 2001 THROUGH JULY 31, 2002, BE ADOPTED.

The Commission resumed deliberation on the sequence of the regular agenda

Items 4 (d) and (e) were presented together and acted upon separately.

- 4 (d)** Resolution No. 137-2001, Authorizing the Executive Director to: 1) Execute a Ground Lease with Ocean Beach Apartments, L.P., a California limited partnership, for the land at 720 La Playa Street; 2) Enter into a Tax Increment Loan Agreement with Ocean Beach Apartments, L.P., a California limited partnership, for an amount not to exceed \$453,125 for the acquisition and rehabilitation of 85 units of very low income housing at 720 La Playa Street, the Ocean Beach Apartments; and 3) Execute all related actions and documents to enable the acquisition and renovation of the Ocean Beach Apartments, 85 units of very low income housing, all as part of the Agency's Housing Preservation Program; Citywide Tax Increment Housing Program
- 4 (e)** Resolution No. 138-2001, Authorizing the Issuance, Sale and Delivery of Multifamily Housing Revenue Bonds (Ocean Beach Apartments) 2001 Series A in an aggregate amount not to exceed \$6,200,000; Multifamily Housing Revenue Bonds (Ocean Beach Apartments) 2001 Series B in an aggregate amount not to exceed \$2,900,000; Multifamily Housing Revenue Bonds (Ocean Beach Apartments) 2001 Series C in an aggregate amount not to exceed \$1,600,000 and determining and prescribing certain matters relating thereto, and approving and authorizing related actions and the execution and delivery of documents relating thereto

Presenters: Kate Hartley (Agency staff)

Speakers: Marie Siciliano, Jennifer Thompson

Commissioner Romero puts forth a motion to adopt the item.

Commissioner Singh asked about the status of the tax credit equity and if the Agency land payment is a loan or a grant to the developer. Mr. Singh inquired about the \$1.4 million commercial loan and asked the collateral is for the loan.

Commissioner Dunlop stated his support for the project and remarked that the targeted income of 22% of AMI is a great benefit. Mr. Dunlop questioned the \$800,000 increase from February and asked if this additional expense is attributable to the replacement windows, commenting that the figure seems excessive. Mr. Dunlop asked for a detailed breakdown of the expenditures and remarked that he appreciated the excellence in quality but is concerned with the appropriateness of the increased development costs. Mr. Dunlop inquired about the necessity of providing skylights in the development.

President Yee stated his support for the project and thanked staff, developer and tenants for their hard work.

ADOPTION: IT WAS MOVED BY MR. ROMERO, SECONDED BY MS. FORIEST SETTLES, THAT ITEM 4 (d) RESOLUTION NO. 137-2001, AUTHORIZING THE EXECUTIVE DIRECTOR TO: 1) EXECUTE A GROUND LEASE WITH OCEAN BEACH APARTMENTS, L.P., A CALIFORNIA LIMITED PARTNERSHIP, FOR THE LAND AT 720 LA PLAYA STREET; 2) ENTER INTO A TAX INCREMENT LOAN AGREEMENT WITH OCEAN BEACH APARTMENTS, L.P., A CALIFORNIA LIMITED PARTNERSHIP, FOR AN AMOUNT NOT TO EXCEED \$453,125 FOR THE ACQUISITION AND REHABILITATION OF 85 UNITS OF VERY LOW INCOME HOUSING AT 720 LA PLAYA STREET, THE OCEAN BEACH APARTMENTS; AND 3) EXECUTE ALL RELATED ACTIONS AND DOCUMENTS TO ENABLE THE ACQUISITION AND RENOVATION OF THE OCEAN BEACH APARTMENTS, 85 UNITS OF VERY LOW INCOME HOUSING, ALL AS PART OF THE AGENCY'S HOUSING PRESERVATION PROGRAM; CITYWIDE TAX INCREMENT HOUSING PROGRAM, BE ADOPTED AND ON ROLL CALL, THE FOLLOWING VOTED "AYE":

Mr. Dunlop
Mr. King
Mr. Romero
Ms. Foriest Settles
Mr. Singh
Mr. Yee

AND THE FOLLOWING VOTED "NAY":

AND THE FOLLOWING WERE ABSENT.

Ms. Palamountain

THE SECRETARY DECLARED THE RESULTS OF THE ROLL CALL VOTE, SIX (6) AYES, ONE ABSENT.

THE PRESIDENT THEREUPON DECLARED THAT RESOLUTION NO. 137-2001 IS ADOPTED.

ADOPTION: IT WAS MOVED BY MR. ROMERO, SECONDED BY MR. KING, THAT ITEM 4 (e) RESOLUTION NO. 138-2001, AUTHORIZING THE ISSUANCE, SALE AND DELIVERY OF MULTIFAMILY HOUSING REVENUE BONDS (OCEAN BEACH APARTMENTS) 2001 SERIES A IN AN AGGREGATE AMOUNT NOT TO EXCEED \$6,200,000; MULTIFAMILY HOUSING REVENUE BONDS (OCEAN BEACH APARTMENTS) 2001 SERIES B IN AN AGGREGATE AMOUNT NOT TO EXCEED \$2,900,000; MULTIFAMILY HOUSING REVENUE BONDS (OCEAN BEACH APARTMENTS) 2001 SERIES C IN AN AGGREGATE AMOUNT NOT TO EXCEED \$1,600,000 AND DETERMINING AND PRESCRIBING CERTAIN MATTERS RELATING THERETO, AND APPROVING AND AUTHORIZING RELATED ACTIONS AND THE EXECUTION AND DELIVERY OF DOCUMENTS RELATING THERETO, BE ADOPTED AND ON ROLL CALL, THE FOLLOWING VOTED "AYE":

Mr. Dunlop
Mr. King
Mr. Romero
Ms. Foriest Settles
Mr. Singh
Mr. Yee

AND THE FOLLOWING VOTED "NAY":

AND THE FOLLOWING WERE ABSENT.

Ms. Palamountain

THE SECRETARY DECLARED THE RESULTS OF THE ROLL CALL VOTE, SIX (6) AYES, ONE ABSENT.

THE PRESIDENT THEREUPON DECLARED THAT RESOLUTION NO. 138-2001 IS ADOPTED.

Items 4 (f) and (g) were presented together and acted upon separately.

- 4 (f)** Resolution No. 139-2001, Authorizing a Disposition and Development Agreement with Asian, Inc., a California non-profit public benefit corporation, for the Disposition of the Agency owned parcel at 474 Natoma Street for development of 29 units of housing for low and moderate income first time homebuyers; South of Market Earthquake Recovery Project Area; Citywide Tax Increment Housing Program

- 4 (g) Resolution No. 140-2001, Authorizing the Execution of a Tax Increment Loan Agreement with Asian, Inc., a California non-profit public benefit corporation, in the amount of \$5,729,674 for the Acquisition and Development of 29 units of low and moderate first-time homebuyer units at 474 Natoma Street, South of Market Earthquake Recovery Project Area; Citywide Tax Increment Housing Program

Presenters: Kate Hartley (Agency staff), Chris Reyes (Asian Inc.), Doris Him (Integrph), Clem Soga (Soga & Albaugh Architects)

Speakers: Philip Williams, tom Sebekos, Judith Gatewood, Ralph Aron, Edwin Jocson, MC Canlas, Sally Switzer

Commissioner Singh asked what the difference is between the two and three bedroom unit size pointing out that some of the units are larger than others in the same category. Mr. Singh asked how the purchase price of the units is determined and commented that the price is fair.

Commissioner Foriest Settles verified that the proposed after-school space for computer access is still part of the development and remarked that she is very supportive of such concepts to provide the youth with educational opportunities. Ms. Foriest Settles inquired about the time frame for the development. Ms. Foriest Settles also inquired about the accessibility of the housing units to handicapped persons and asked what standards are being used to determine the number of units to be made handicap accessible, verifying that the one unit proposed to be handicap accessible is arrived at using the 5% Federal requirement pursuant to the American with Disabilities Act

Commissioner Dunlop asked if ten disabled or handicapped people applied, would ten corresponding handicapped accessible units be provided. Mr. Dunlop asked if there were assurances in the DDA to ensure that families have equal access to the multi-bedroom family units.

President Yee verified that the professional liability insurance issue has been resolved and that there will not be a gap in coverage. Mr. Yee remarked that he was glad to see the issue resolved but thought that it took too long to resolve.

ADOPTION: IT WAS MOVED BY MR. SINGH, SECONDED BY MS. FORIEST SETTLES, THAT ITEM 4 (f) RESOLUTION NO. 139-2001, AUTHORIZING A DISPOSITION AND DEVELOPMENT AGREEMENT WITH ASIAN, INC., A CALIFORNIA NON-PROFIT PUBLIC BENEFIT CORPORATION, FOR THE DISPOSITION OF THE AGENCY OWNED PARCEL AT 474 NATOMA STREET FOR DEVELOPMENT OF 29 UNITS OF HOUSING FOR LOW AND MODERATE INCOME FIRST TIME HOMEBUYERS; SOUTH OF MARKET EARTHQUAKE RECOVERY PROJECT AREA; CITYWIDE TAX INCREMENT HOUSING PROGRAM, BE ADOPTED AND ON ROLL CALL, THE FOLLOWING VOTED "AYE":

Mr. Dunlop
Mr. King
Mr. Romero
Ms. Foriest Settles
Mr. Singh
Mr. Yee

AND THE FOLLOWING VOTED "NAY":

AND THE FOLLOWING WERE ABSENT.

Ms. Palamountain

THE SECRETARY DECLARED THE RESULTS OF THE ROLL CALL VOTE, SIX (6) AYES, ONE ABSENT.

THE PRESIDENT THEREUPON DECLARED THAT RESOLUTION NO. 139-2001 IS ADOPTED.

ADOPTION: IT WAS MOVED BY MR. DUNLOP, SECONDED BY MR. ROMERO, THAT ITEM 4 (g) RESOLUTION NO. 140-2001, AUTHORIZING THE EXECUTION OF A TAX INCREMENT LOAN AGREEMENT WITH ASIAN, INC., A CALIFORNIA NON-PROFIT PUBLIC BENEFIT CORPORATION, IN THE AMOUNT OF \$5,729,674 FOR THE ACQUISITION AND DEVELOPMENT OF 29 UNITS OF LOW AND MODERATE FIRST-TIME HOMEBUYER UNITS AT 474 NATOMA STREET, SOUTH OF MARKET EARTHQUAKE RECOVERY PROJECT AREA; CITYWIDE TAX INCREMENT HOUSING PROGRAM, BE ADOPTED AND ON ROLL CALL, THE FOLLOWING VOTED "AYE":

Mr. Dunlop
Mr. King
Mr. Romero
Ms. Foriest Settles
Mr. Singh
Mr. Yee

AND THE FOLLOWING VOTED "NAY":

AND THE FOLLOWING WERE ABSENT.

Ms. Palamountain

THE SECRETARY DECLARED THE RESULTS OF THE ROLL CALL VOTE, SIX (6) AYES, ONE ABSENT.

THE PRESIDENT THEREUPON DECLARED THAT RESOLUTION NO. 140-2001 IS ADOPTED.

Items 4 (h) and (i) were presented together and acted upon separately.

- 4 (h) Resolution No. 141-2001, Approving the Fiscal Year 2001-2002 Budget request in an amount not to exceed \$130,148 for staff and operational expenses of the Bayview Hunters Point Project Area Committee, subject to approval of the Agency's Fiscal Year 2001-2002 Budget by the Board of Supervisors; Bayview Hunters Point Redevelopment Survey Area
- 4 (i) Resolution No. 142-2001, Authorizing the Executive Director to Enter into a Third Amendment to the Personal Services Contract with Emily Rogers to Extend the time of completion from June 30, 2001 to June 30, 2002 and Increase the amount of compensation by \$54,600, for an aggregate amount not to exceed \$158,600, for secretarial/coordinating services for the Bayview Hunters Point Project Area Committee, subject to approval of the Agency's Fiscal Year 2001-2002 Budget by the Board of Supervisors; Bayview Hunters Point Redevelopment Survey Area

Presenters: Gaynell Armstrong (Agency staff)

Speakers: Regina Davis, Emily Rogers, Doris Vincent, Rev. Cordell Hawkins, James Martin

Note: Ms. Emily Rogers of the BVHP PAC handed out T-shirts to the Commission

Commissioner Singh puts forth a motion to adopt the item and inquired as to what the outreach workers specifically do in the Bayview community and asked how much they are paid for their services. Mr. Singh remarked that the outreach program is very good.

Commissioner Dunlop seconds the motion and thanked Ms. Armstrong, the PAC members and expressed that his delight to see the young outreach workers doing not only important work in the community but a great public service.

Commissioner Foriest Settles asked for the specific training programs the outreach workers came from and asked specifically the role of the Community College. Ms. Foriest Settles shared that she collects T-shirts and is delighted to get a "PAC" T-shirt and thanked the staff, PAC and outreach workers for their excellent work.

Commissioner Romero stated that it makes it easy to approve a project when the community, in particular the PAC members and the outreach members taking the time to attend the meeting to inform the Commission of their work in the community. Mr. Romero commented that the Bayview community is showing that they are motivated people and that they are a cohesive group. Commissioner King thanked the PAC members and shared a little history about the Bayview community, recalling that the community did not want the Agency to be involved in their community and that former Agency staff like Gene Suttle and Earl Mills were the pioneers in persuading the community to accept redevelopment in Bayview. Mr. King congratulated the PAC and the outreach workers, urging them to keep up the good work.

President Yee agreed with Commissioner King's comments and remarked that the community is very fortunate to have great community leaders and thanked the PAC members and outreach workers for attending the Commission meeting. Mr. Yee added that the Commission should thank Commissioner Dunlop for his articulate and expressive remarks about how well the PAC is serving the Bayview community, stating that Commissioner Dunlop spoke very well on behalf of the Commission.

ADOPTION: IT WAS MOVED BY MR. SINGH, SECONDED BY MR. DUNLOP, AND UNANIMOUSLY CARRIED (MS. PALAMOUNTAIN ABSENT) THAT, ITEM 4 (h) RESOLUTION NO. 141-2001, APPROVING THE FISCAL YEAR 2001-2002 BUDGET REQUEST IN AN AMOUNT NOT TO EXCEED \$130,148 FOR STAFF AND OPERATIONAL EXPENSES OF THE BAYVIEW HUNTERS POINT PROJECT AREA COMMITTEE, SUBJECT TO APPROVAL OF THE AGENCY'S FISCAL YEAR 2001-2002 BUDGET BY THE BOARD OF SUPERVISORS; BAYVIEW HUNTERS POINT REDEVELOPMENT SURVEY AREA, BE ADOPTED.

ADOPTION: IT WAS MOVED BY MR. SINGH, SECONDED BY MR. ROMERO, AND UNANIMOUSLY CARRIED (MS. PALAMOUNTAIN ABSENT) THAT, ITEM 4 (i) RESOLUTION NO. 142-2001, AUTHORIZING THE EXECUTIVE DIRECTOR TO ENTER INTO A THIRD AMENDMENT TO THE PERSONAL SERVICES CONTRACT WITH EMILY ROGERS TO EXTEND THE TIME OF COMPLETION FROM JUNE 30, 2001 TO JUNE 30, 2002 AND INCREASE THE AMOUNT OF COMPENSATION BY \$54,600, FOR AN AGGREGATE AMOUNT NOT TO EXCEED \$158,600, FOR SECRETARIAL/COORDINATING SERVICES FOR THE BAYVIEW HUNTERS POINT PROJECT AREA COMMITTEE, SUBJECT TO APPROVAL OF THE AGENCY'S FISCAL YEAR 2001-2002 BUDGET BY THE BOARD OF SUPERVISORS; BAYVIEW HUNTERS POINT REDEVELOPMENT SURVEY AREA, BE ADOPTED.

Items 4 (j) and (k) are related items.

- 4 (j)** Resolution No. 143-2001, Authorizing a Second Amendment to the Owner Participation Agreement dated September 27, 1994, with the Roman Catholic Welfare Corporation, a California nonprofit religious corporation, to Revise the performance schedules for phases 2, 3, and 4 and to Revise the scope of work for phase 4, for the development of block 737, lots 01, 14, and 16, Western Addition Redevelopment Project Area A-2

Presenters: Isabella Wong (Agency staff)

Speakers: Sally Walker

- 4 (k) Resolution No. 144-2001, Conditionally Approving the Schematic Design for the Development, phases 2 and 3 of the development of block 737, lots 01, 14, and 16 by the Roman Catholic Welfare Corporation, a California non-profit religious corporation, Western Addition A-2 Redevelopment Project Area

Presenters: Elena Branick (Agency staff)

Commissioner Dunlop inquired about the ownership of the high school, asking if the school is privately owned by the Catholic Church. Mr. Dunlop asked about the gymnasium and who uses it. Mr. Dunlop asked about the presence of church and state issues in this Owner Participation Agreement with the high school.

Agency General Counsel Bertha Ontiveros explained that the Agency is simply granting an entitlement to the school relating to land use pursuant to the A-2 Redevelopment Plan, just as the Planning Department would, if the property is not within a redevelopment project area. Ms. Ontiveros added that the Agency is not providing any financing to the school.

Commissioner Singh stated that he had the same question and is satisfied with the answer and puts forth a motion to adopt the item.

Commissioner Romero commented that the proposal has an attractive design

ADOPTION: IT WAS MOVED BY MR. SINGH, SECONDED BY MR. KING, AND UNANIMOUSLY CARRIED (MS. PALAMOUNTAIN ABSENT) THAT, ITEM 4 (j) RESOLUTION NO. 143-2001, AUTHORIZING A SECOND AMENDMENT TO THE OWNER PARTICIPATION AGREEMENT DATED SEPTEMBER 27, 1994, WITH THE ROMAN CATHOLIC WELFARE CORPORATION, A CALIFORNIA NONPROFIT RELIGIOUS CORPORATION, TO REVISE THE PERFORMANCE SCHEDULES FOR PHASES 2, 3, AND 4 AND TO REVISE THE SCOPE OF WORK FOR PHASE 4, FOR THE DEVELOPMENT OF BLOCK 737, LOTS 01, 14, AND 16, WESTERN ADDITION REDEVELOPMENT PROJECT AREA A-2, BE ADOPTED.

ADOPTION: IT WAS MOVED BY MR. KING, SECONDED BY MR. SINGH, AND UNANIMOUSLY CARRIED (MS. PALAMOUNTAIN ABSENT) THAT, ITEM 4 (k) RESOLUTION NO. 144-2001, CONDITIONALLY APPROVING THE SCHEMATIC DESIGN FOR THE DEVELOPMENT, PHASES 2 AND 3 OF THE DEVELOPMENT OF BLOCK 737, LOTS 01, 14, AND 16 BY THE ROMAN CATHOLIC WELFARE CORPORATION, A CALIFORNIA NON-PROFIT RELIGIOUS CORPORATION, WESTERN ADDITION A-2 REDEVELOPMENT PROJECT AREA, BE ADOPTED.

- 4 (m) Resolution No. 146-2001, Authorizing the Executive Director to Execute a Construction Contract with Barri Electric Co., Inc., a California corporation, in an amount not to exceed \$208,880 for the purchase and the installation of a Reader Board and Night Lighting Improvements Contract for the Yerba Buena Gardens Center for the Arts; Yerba Buena Center Redevelopment Project Area

Presenters: Ted Maniatis (Agency staff)

Speakers: Renny Pritikin

Commissioner Foriest Settles shared her enjoyment of the Yerba Buena Gardens and that as a matter of fact, her family were at the Gardens earlier that day and stated her support for enhancing the facilities to increase the patronage.

Commissioner Dunlop endorsed the signage and lighting project, adding that the cultural facilities should have their own identity and that they should be highlighted to the greatest extent possible.

ADOPTION: IT WAS MOVED BY MR. SINGH, SECONDED BY MR. KING, AND UNANIMOUSLY CARRIED (MS. PALAMOUNTAIN ABSENT) THAT, ITEM 4 (m) RESOLUTION NO. 146-2001, AUTHORIZING THE EXECUTIVE DIRECTOR TO EXECUTE A CONSTRUCTION CONTRACT WITH BARRI ELECTRIC CO., INC., A CALIFORNIA CORPORATION, IN AN AMOUNT NOT TO EXCEED \$208,880 FOR THE PURCHASE AND THE INSTALLATION OF A READER BOARD AND NIGHT LIGHTING IMPROVEMENTS CONTRACT FOR THE YERBA BUENA GARDENS CENTER FOR THE ARTS; YERBA BUENA CENTER REDEVELOPMENT PROJECT AREA, BE ADOPTED.

REPORT OF THE PRESIDENT

- Informed the Commission that at next week's agenda (July 31st), a workshop has been calendared regarding the RFP process in South of Market. Mr. Yee reiterated the three issues he wanted to discuss at the workshop: (1) All developers' board members should disclose if they have declared bankruptcy and have any lawsuits pending against them, (2) there should be a seven-year disclosure policy, instead of five years, and (3) the RFP's do not mention anything about the commercial tenants' income. Mr. Yee commented that the commercial tenants' income should be used to subsidize the affordable housing in the development. Mr. Yee invited the public to attend the July 31st Commission meeting and remarked that people who are interested should rely on the radio broadcast of the Commission meetings to be fully informed about the important issue regarding the Agency's RFP process.

REPORT OF THE EXECUTIVE DIRECTOR

- Informed the Commission that Podiatry College litigation issue is about to be resolved, explaining that deeds to properties in which the Agency has rights have been delivered to escrow.
- Update on Parcel 732-A: three public meetings have been held where community input was received on the issuance of a new RFP; next scheduled public meeting on Thursday, July 26th from 6:00 to 8:00 p.m. where the community input received to date will be summarized and a draft outline presented and suggestions received will be incorporated in the RFP; and Supervisor Gonzalez's office has requested a public hearing on Parcel 732-A before the Land Use Committee of the Board, also scheduled for Thursday, July 26th. Supervisor Gonzalez will recommend continuance of the public hearing to the next scheduled meeting of the Land Use Committee on August 9th.
- Informed the Commission that the RFP for the technical assistance consultant for the Shipyard CAC generated only two respondents, neither of whom met the terms of the RFP – will reissue the RFP but with a better outreach to ensure improved responses.
- Reported on the fine work of the PAC outreach workers on disseminating the Bayview Concept Plan, highlighting their community service roles.
- Update regarding the four AIMCO properties in Hunters Point, specifically eviction issues, with Supervisor Maxwell and others expressing concerns. Agency staff working with Supervisor Maxwell's office including distribution of flyers regarding town hall meeting to be held at the Gloria Davis Middle School on Saturday, July 28th. Ms. Rosen added that the community is looking forward to having good attendance at the town hall meeting to discuss among other things, legal representation for tenants in order to avoid undue hardships.

COMMISSIONERS' QUESTIONS AND MATTERS

- Commissioner Foriest Settles referred to the July 10th minutes where President Yee asked about the status of the Agency Secretary's salary issue and asked for an update.

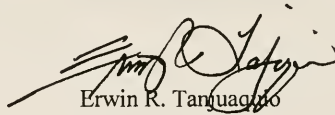
CLOSED SESSION

- (a) Pursuant to Government Code §54956.9(c), Conference with Legal Counsel regarding initiation of litigation: three potential cases.

ADJOURNMENT

It was moved by Mr. Dunlop, seconded by Mr. Singh, and unanimously carried that the meeting be adjourned. The meeting adjourned at 7:01 p.m.

Respectfully submitted,



Erwin R. Tanguarro
Agency Secretary

APPROVED:

July 31, 2001

MINUTES OF A REGULAR MEETING OF THE
REDEVELOPMENT AGENCY OF THE CITY AND
COUNTY OF SAN FRANCISCO HELD ON THE
31ST DAY OF JULY 2001

The Commissioners of the Redevelopment Agency of the City and County of San Francisco met in a regular meeting at City Hall, 1 Dr. Carlton B. Goodlett Place, Room 416, in the City of San Francisco, California, at 4:39 p.m. on the 31st day of July, 2001, the place and date duly established for holding of such a meeting.

The President called the meeting to order and on roll call the following answered present:

Benny Y. Yee, President
Leroy King, Vice President
Mark Dunlop
Kathryn C. Palamountain
Ramon E. Romero
Michal Foriest Settles (departs @ 6:03 p.m.)
Darshan Singh

and the following were absent:

The President declared that a quorum was present.

Marcia Rosen, Executive Director, and staff members were also present. DOCUMENTS DEPT.

MATTERS OF NEW BUSINESS – CONSENT AGENDA

SEP 13 2007

4 (a) Approval of Minutes: Meetings of July 24, 2001

SAN FRANCISCO
PUBLIC LIBRARY

- 4 (b) Resolution No. 147-2001, Authorizing Travel for Sylvester McGuire, George Bridges, And Josephine Lee, Contract Compliance Specialist II's, to attend the American Contract Compliance Association's (ACCA) 15th National Training Institute in Cincinnati, Ohio, from September 11-16, 2001 at a cost not to exceed \$4,742.40**

Commissioner Palamountain abstained from voting on the consent agenda item 4 (a) Approval of Minutes of the meeting of July 24, 2001 since she was not present at that Commission meeting.

Commissioner Foriest Settles asked if it is the Agency's goal is to consistently provide training for the Agency's Contract Compliance staff.

ADOPTION: IT WAS MOVED BY MR. DUNLOP, SECONDED BY MR. SINGH, AND UNANIMOUSLY CARRIED (MS. PALAMOUNTAIN ABSTAINING) THAT CONSENT AGENDA ITEM 4 (a) APPROVAL OF MINUTES: MEETING OF JULY 24, 2001, BE ADOPTED.

ADOPTION: IT WAS MOVED BY MR. DUNLOP, SECONDED BY MR. SINGH, AND UNANIMOUSLY CARRIED THAT CONSENT AGENDA ITEM 4 (b) RESOLUTION NO. 147-2001, AUTHORIZING TRAVEL FOR SYLVESTER MCGUIRE, GEORGE BRIDGES, AND JOSEPHINE LEE, CONTRACT COMPLIANCE SPECIALIST II'S, TO ATTEND THE AMERICAN CONTRACT COMPLIANCE ASSOCIATION'S (ACCA) 15TH NATIONAL TRAINING INSTITUTE IN CINCINNATI, OHIO, FROM SEPTEMBER 11-16, 2001 AT A COST NOT TO EXCEED \$4,742.40, BE ADOPTED,

REGULAR AGENDA

- 4 (c) Resolution No. 148-2001, Authorizing Exclusive Negotiations with the Freelon Group, Inc., a North Carolina corporation, to provide Concept Development and Programming for the African American Museum; Yerba Buena Center Redevelopment Project Area

Presenters: William Carney, Cheryl Towns (Agency staff), Claudia Polley (Consultant), Phil Freelon (Freelon Group), Veronica Jackson (Gallagher & Associates), Elida Zelaya (LORD), Robin Silvestri (Batwin & Robin)

Speakers: Alma Robinson, Alfred W. Williams (letter read by Agency Secretary Erwin R. Tanjuaquio)

Commissioner Singh shared that he attended the meeting held on Friday at City Hall regarding the African American Museum and remarked that it was a good meeting. Mr. Singh pointed out that the same architect for the African American Museum is also working on another project in Baltimore and asked if there might be a conflict with completing the design work on the African American Museum. Mr. Singh suggested making sure that the San Francisco African American Museum is world class.

Commissioner Dunlop complemented and thanked Mr. Freelon for an excellent presentation as well as staff and all involved with a thorough, efficient selection process for the African American Museum.

Commissioner Foriest Settles complemented everyone for their great work and shared her excitement about the project and her enthusiastic support. Ms. Foriest Settles stated that she was glad to see some thought going into the idea of accommodating school kids and that this facility would provide a great learning opportunity for all. Ms. Foriest Settles asked Mr. Freelon if he was planning to open an office in San Francisco stating her concern about providing focus in the project. Ms. Foriest Settles inquired about identifying the Museum's supporters once it is built and asked when this process will occur. Ms. Foriest Settles stated that this project is really exciting and very promising.

Commissioner Romero complemented everyone involved for a very thorough and conscientious job in the selection process. Mr. Romero lightheartedly commented that as a CAL graduate, he hesitated a bit when learning that Mr. Freelon was a Stanford graduate. Mr. Romero congratulated staff and the consultants for their excellent presentation.

Commissioner King congratulated staff for doing a good job in the selection process. Mr. King asked if the developer John Friedman, has been involved in the African American Museum consultant selection process.

President Yee remarked that the presentation was exciting and impressive and that he is looking forward to the opening of the African American Museum.

ADOPTION: IT WAS MOVED BY MR. SINGH, SECONDED BY MR. DUNLOP, AND UNANIMOUSLY CARRIED THAT ITEM 4 (c) RESOLUTION NO. 148-2001, AUTHORIZING EXCLUSIVE NEGOTIATIONS WITH THE FREELON GROUP, INC., A NORTH CAROLINA CORPORATION, TO PROVIDE CONCEPT DEVELOPMENT AND PROGRAMMING FOR THE AFRICAN AMERICAN MUSEUM; YERBA BUENA CENTER REDEVELOPMENT PROJECT AREA, BE ADOPTED.

- 4 (d) Resolution No. 149-2001, Authorizing a First Amendment to the Personal Services Contract with Sherry Kafka Wagner to increase the total amount of compensation by \$50,000 for a total aggregate amount not to exceed \$115,000 for implementation oversight of the Action Plan for Zeum, Yerba Buena Center Redevelopment Project Area

Presenters: Cathy Pickering (Agency staff), Sherry Kafka Wagner (Consultant), Heather Kitchen (A.C.T.), David Dial (Zeum)

Speakers: Bill Osterhaus, Stephen Koch

Commissioner Singh, referring to the San Francisco Chronicle article (published on July 30th) regarding Zeum, asked what happened since the Commission last saw Ms. Wagner a few months ago. Mr. Singh asked how much the advertising budget is for Zeum and would it be possible to increase the advertising budget.

Commissioner Palamountain complemented and thanked Ms. Wagner for her work and remarked that the report is very good and has concrete findings and recommendations. Ms. Palamountain shared that she has seen some of results of Ms. Wagner's work in the numerous mailings from Zeum and asked Ms. Wagner of her impressions about some of the changes that have been put in place at Zeum. Ms. Palamountain commended Mr. Dial and his young staff for coping with operational changes and shared her support for investing in cultural spaces for children.

Commissioner Dunlop also referred to the Chronicle newspaper article and using the analogy of running a marathon, he pointed out that one needs to train hard and gain experience in order to finish the marathon successfully, and likewise the same is true for a relatively new endeavor such as Zeum. Mr. Dunlop stated that Action Plan for Zeum is a good plan and he supported continuing the contract with Ms. Wagner.

Commissioner King shared a little history about the Children's Center in Yerba Buena, explaining that the Agency fought to provide space for children when everyone wanted to build hotels and offices. Mr. King pointed out that there would always be negative press, but that it takes time to make a success of a new venture. Mr. King stated that he supports Zeum all the way and advised Mr. Dial that it is not easy and thanked him for doing a good job in a difficult situation.

Commissioner Foriest Settles agreed with her fellow Commissioners and remarked that she liked the detailed approach of the Action Plan and commented that kids deserve a good facility where they can learn and enjoy themselves. Ms. Foriest Settles stated that she was pleased with the proposal and suggested to have frequent feedback while working with Agency staff to ensure optimum operation. Ms. Foriest Settles inquired about the carousel loosing its sponsorship funding from Pepsi.

President Yee stated that Zeum has the full confidence of the Commission and remarked that it has only been three years since Zeum opened and the staff is doing an outstanding job and advised Mr. Dial to not worry about the Pepsi funding.

ADOPTION: IT WAS MOVED BY MS. PALAMOUNTAIN, SECONDED BY MR. DUNLOP, AND UNANIMOUSLY CARRIED THAT ITEM 4 (d) RESOLUTION NO. 149-2001, AUTHORIZING A FIRST AMENDMENT TO THE PERSONAL SERVICES CONTRACT WITH SHERRY KAFKA WAGNER TO INCREASE THE TOTAL AMOUNT OF COMPENSATION BY \$50,000 FOR A TOTAL AGGREGATE AMOUNT NOT TO EXCEED \$115,000 FOR IMPLEMENTATION OVERSIGHT OF THE ACTION PLAN FOR ZEUM, YERBA BUENA CENTER REDEVELOPMENT PROJECT AREA, BE ADOPTED.

At this time, 6:03 p.m. Commissioner Foriest Settles departed the meeting.

- 4 (e)** Workshop regarding Agency policy on Requests for Proposals for disposition of Agency-owned parcels in the South of Market Earthquake Recovery Project Area

Presenters: William Carney, Olson Lee (Agency staff)

Speakers: Ali Altaha, Carolyn Stephens, Joe O'Donoghue, Shelley Bell, Jim Buckley, L. P. Lewis

President Yee stated that he appreciated the public's attendance at the workshop. Mr. Yee opined that the RFP process is not a perfect one and there is a need to improve the process by which the Agency disposes its properties. Mr. Yee stated that it is very important to be careful with how the Agency spends public dollars and cited the recently enacted Senate Bill 2113 which extends the Agency's ability to use tax increment monies for affordable housing development in the City. Mr. Yee explained that this constitutes a significant amount of money and the Agency must be conscientious about spending it wisely and fairly. Mr. Yee reiterated his appreciation for the public's input into the discussion and referred to specific provisions of the RFP for the Plaza Hotel regarding disclosure requirements for individual board members of non-profit developers. Mr. Yee brought up the issue of the commercial tenants' income within the affordable housing developments, pointing out that the commercial establishments bring in a lot of money to the development and the Agency should be monitoring such revenue. Mr. Yee explained that although lending institutions are not interested in the commercial tenants, the Commission should be concerned particularly about the income of such commercial tenants. Mr. Yee requested staff to identify both hard and soft costs of development and to require developers to provide cash flow statements including commercial and/or retail

revenue, as well as the developer's operating costs for the next 15 years. Mr. Yee recommended modifying the RFP criteria to include for-profit developers and again thanked the speakers for their time and input.

Commissioner Romero stated that he was not opposed to conducting workshops and remarked that there is always something to learn from such workshops. Mr. Romero stated that based upon staff's response, it reaffirms the fact that the Agency has the best staff in the country and remarked that there is nothing broken in the Agency's procedures. Mr. Romero shared that when he has attended conferences on redevelopment, he thought that the Agency staff could actually teach others in the redevelopment business with their expertise and experience in working on very complex development deals and real estate transactions. Mr. Romero pointed out that the RFP process already requires disclosure of bankruptcy filings and believed that staff has done a good job of enforcing the rules. Mr. Romero pointed out that no member of the public has complained to the Commission about the RFP process and remarked that the system in place is working well.

Commissioner Dunlop stated that it is good to have workshops because they inform the public and provides them with the opportunity to participate and have input. Mr. Dunlop complemented staff for its thorough and well thought out response and remarked that the Agency has a good RFP system and that the public seems satisfied with the process.

Commissioner King stated that he was glad that President Yee called for the workshop and that this is an opportunity to hear from the public about how well the process is working or not. Mr. King pointed out that no one is criticizing staff and explained that good issues have been raised and some changes are appropriate. Mr. King stated that he does not agree with all of staff's recommendation, pointing out that the Commission is simply reviewing the process.

Commissioner Singh stated that he liked the idea of a workshop to discuss the RFP process and suggested that the Commission hold another workshop. Mr. Singh agreed with the bankruptcy disclosure suggestion.

President Yee requested staff to consult with the Stewart Management Company regarding commercial revenue statistics. Mr. Yee, referring to his real estate experience, remarked that it is important to consider the income of commercial or retail establishments in the equation to have a successful development. Mr. Yee stated that sometimes staff makes mistakes because they are human beings and that they are not perfect, explaining that there is always room for improvement. Mr. Yee suggested that staff to focus on the main purpose of the Agency especially when allocating millions of dollars and stated that one organization should not be favored over another in the disposition of Agency-owned property.

Commissioner Palamountain agreed to hold both for-profit and non-profit developers to the same scrutiny including the bankruptcy disclosure. Ms. Palamountain expressed her preference of providing community space instead of commercial spaces and cited a community space along Sixth Street dedicated for Philippines veterans' use as an example. Ms. Palamountain recalled a tour of South of Market that Bill Carney conducted where there was devoted for kids to learn computers and remarked that such community spaces have a better value to the community as a whole.

Executive Director Marcia Rosen expanded on staff's response to the issues raised by President Yee, explaining that the RFP already asks for disclosure of bankruptcies without time limitation and that staff substantially agrees with clarifying certain elements of the RFP process. With regard to disclosure of individual board members with pending legal proceedings, Ms. Rosen explained that imposition of such disclosure requirement may constitute violation of privacy rights and pointed out that it is the corporation who is liable and not its individual board members. Ms. Rosen stated that staff's goal is always to fairly administer the RFP process and thanked President Yee for suggesting the workshop as it provides an opportunity to closely look at specific provisions in the RFP to ensure equal treatment. Ms. Rosen thanked President Yee for raising the issues and committed to closely review and evaluate elements of the RFP process to improve its administration.

President Yee remarked that he did not know the law and that he uses common sense but was unsure about the violation of privacy rights of individual board members if they were required to disclose legal proceedings against them, pointing out that this information would seem to be critical in determining the capacity of such an organization to be entrusted with public money if they have individual board members with legal issues.

Executive Director Marcia Rosen stated that she would ask the Agency General Counsel to look into the issue and report back to the Commission.

President Yee again thanked staff and the public for their input and stated that the Commission does not need to conduct another workshop.

PERSONS WISHING TO ADDRESS THE MEMBERS ON NON-AGENDA, BUT AGENCY RELATED MATTERS:

- Bob Britton (Local 21), Todd Clayter, Essie Collins

REPORT OF THE PRESIDENT

Informed the Commission that since there are no items scheduled for August 7th, there will not be a Commission Meeting on that date and asked the Commission for its pleasure. With unanimous consent, the Commission agreed to not conduct a Commission meeting on Tuesday, August 7, 2001.

REPORT OF THE EXECUTIVE DIRECTOR

- Informed the Commission that the Fourth and Harrison developer in Yerba Buena Center has signed a lease with a supermarket operator, Whole Foods and a press conference has been scheduled on Tuesday, August 7th at noon.
- The 1045 Mission project known as South of Market Residences has received a California Gold Nugget Award in the Urban Design category.
- Board of Supervisors approval of the disposition of 474 Natoma and the land lease with Ocean Beach Apartments. The Agency was complemented on its work on affordable housing development and preservation.
- Attended fourth community meeting on Parcel 732-A RFP and awaiting report from appraisers and Bay Area Economics on conceptual models.
- RFQ to solicit consultants for engineering services to be issued on August 9th.

President Yee asked about the supermarket site lease signing and remarked that staff should have provided a periodic report to the Commission.

COMMISSIONERS' QUESTIONS AND MATTERS

- Commissioner Dunlop stated that he was happy about the supermarket but that Whole Foods is a fairly expensive store.
- President Yee asked if Whole Foods is considered to be an upscale supermarket.

Deputy Executive Director Helen Sause responded and stated that Whole Foods will be providing discounts for seniors and will have commensurate pricing consistent with the neighborhood.

- President Yee stated that the Board of Supervisors' praise of the Agency's work on affordable housing is great.
- President Yee asked if there were other community meetings planned on 732-A.

- Commissioner King stated that he is disturbed with Whole Foods opening a store in Yerba Buena, commenting that Whole Foods is very upscale and did not think that the Mayor would be too excited about cutting the ribbon. Mr. King asked why the Commission was not informed of this deal, pointing out that it has been a whole year since the Commission last heard about the project. Mr. King stated that the developer was supposed to report back with the proposed supermarket operator.
- Commissioner Singh shared that he saw a television replay broadcast of the Board of Supervisors meeting where Olson Lee was presenting and complemented Mr. Lee for his good work. Mr. Singh asked what are Whole Foods prices compared to Safeway supermarkets.

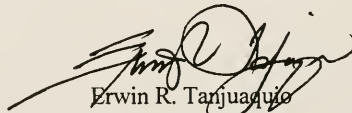
CLOSED SESSION

- (a) Pursuant to Government Code §54957.6 to instruct the Agency's designated representatives to negotiate with the International Federation of professional and Technical engineers Local 21 (IFPTE Local 21). Agency designated representatives: Marcia Rosen, Bertha Ontiveros, Ora Williams and Chris Iglesias.

ADJOURNMENT

It was moved by Mr. Dunlop, seconded by Mr. King, and unanimously carried that the meeting be adjourned. The meeting adjourned at 7:43 p.m.

Respectfully submitted,



Erwin R. Tanjuaquio
Agency Secretary

APPROVED:

MINUTES OF A REGULAR MEETING OF THE
REDEVELOPMENT AGENCY OF THE CITY AND
COUNTY OF SAN FRANCISCO HELD ON THE
14TH DAY OF AUGUST 2001

The Commissioners of the Redevelopment Agency of the City and County of San Francisco met in a regular meeting at City Hall, 1 Dr. Carlton B. Goodlett Place, Room 416, in the City of San Francisco, California, at 4:00p.m. on the 14th day of August, 2001, at the place and date duly established for holding of such a meeting.

The President called the meeting to order and on roll call the following answered present:

Benny Y. Yee, President
Leroy King, Vice President (arrived @ 4:35 p.m.)
Mark Dunlop (departs @ 5:45 p.m.)
Kathryn C. Palamountain
Ramon E. Romero
Michal Foriest Settles
Darshan Singh

DOCUMENTS DEPT.

SEP 13 2007

and the following were absent:

SAN FRANCISCO
PUBLIC LIBRARY

The President declared that a quorum was present.

Marcia Rosen, Executive Director, and staff members were also present.

William E. Smith was Acting Agency Secretary for this Commission meeting.

MATTERS OF NEW BUSINESS – CONSENT AGENDA

4 (a) Approval of Minutes: Meeting of July 31, 2001

ADOPTION: IT WAS MOVED BY MR. DUNLOP, SECONDED BY MR. SINGH, AND UNANIMOUSLY CARRIED (MR. KING ABSENT) THAT CONSENT AGENDA ITEM 4 (a) APPROVAL OF MINUTES: MEETING OF JULY 31, 2001, BE ADOPTED.

REGULAR AGENDA

- 4 (b)** Resolution No. 151-2001, Authorizing a Personal Services Contract with West Bay Pilipino Multi-Service Center, a California non-profit public benefit corporation, in an amount not to exceed \$79,876 to fund a feasibility study to establish a South of Market Youth Center: South of Market Earthquake Recovery Redevelopment Project Area.

Presenters: Bill Carney (Agency Staff), Michelle Ponce (Agency Staff).

Speakers: Angelina Lacap, Virginia Cerenio, Orvy Jundis, Tom Jordan, Angelica Villarino, Mitchell Yangson, Dr. Richard Kempis, Joslyn Manalo, Chris Reyes, Tatiana Romero, Rolan Guevarra, Charyl Ann Descampo, Jim Beck, Victor Marquez

Commissioner Singh question to staff: How big will the center be when it is complete? Staff indicated that the feasibility study would determine the size/functions based on input from community needs and focus groups.

Commissioner Singh moved this item.

Commissioner Dunlop seconded this item and thanked the members of the community who came out to support this item and voiced his strong support and enthusiasm for the project.

Commissioner Settles indicated her strong support for having participants in the study and strong the community involvement. She encouraged them to continue their involvement in the project. She had a couple of questions for staff: 1) Definition of Youth; and 2) What is the source of the on-going operations?

Commissioner Palamountain: Commended staff on their work and secondly thanked speakers for coming out and expressing their need to the Commission and her strong support for projects such as this.

President Yee indicated that Commissioner King just arrived, at 4:35 p.m.

Commissioner Romero encouraged the participants to keep the good work up and indicated his strong support for this project.

Chair indicated his support for this project and indicated he wanted to see them back again and that the Commission would be anxious to support such a good program as this—the funds will be there.

Chair called the matter to question—hearing no objection; he declared the item is adopted unanimously

ADOPTION: IT WAS MOVED BY MR. SINGH, SECONDED BY MR. DUNLOP, AND UNANIMOUSLY CARRIED THAT ITEM 4 (b) RESOLUTION NO. 151-2001, AUTHORIZING A PERSONAL SERVICES CONTRACT WITH WEST BAY PILIPINO MULTI-SERVICE CENTER, A CALIFORNIA NON-PROFIT PUBLIC BENEFIT CORPORATION, IN AN AMOUNT NOT TO EXCEED \$79,876 TO FUND A FEASIBILITY STUDY TO ESTABLISH A SOUTH OF MARKET YOUTH CENTER: SOUTH OF MARKET EARTHQUAKE RECOVERY REDEVELOPMENT PROJECT AREA, BE ADOPTED

- 4 (c) Resolution No. 152-2001, Authorizing a First Amendment to the Personal services contract with Claudia Polley to increase the contract amount by \$26,400 for a total aggregate amount not to exceed \$46,400 and to revise the scope of services to include an organizational development plan and related services for the African American Museum: Yerba Buena Center Redevelopment Project Area.

Presenters: Cheryl Towns (Agency Staff)

Commissioner Dunlop moved the item and congratulated Claudia Polley on the excellent job they have done.

Commissioner Singh seconded and congratulated Claudia Polley on the wonderful job she has done.

Commissioner Romero indicated his support of the project and commended Ms Polley on the excellent job she has been doing.

Commissioner Settles indicated her support, but had a couple of questions: 1) What is the duration of the amendment (staff indicated 90 days from approval of this item) and 2) What is Mr. Freelon's scope of work vs Ms. Polley's scope of work? and 3) Customer expenses—how are these handled?

Commissioner King indicated that the key to this project being successful was long term financing and wanted to make sure this was understood and the distinction between Ms. Polley and the Freelon Contract made that clear.

Commissioner Palamountain wanted to insure the plan would be shared with the Commission once it was completed. She indicated strong support for the results Ms. Polley has achieved in such a short time and further indicated her amazement and enthusiasm for this work.

President Yee stated that the former First Lady has recognized Ms. Polley for her fund raising effort—Save America Treasures and wanted additional information.

President Yee called the matter to question. Hearing no objections from anyone, he declared the item is approved unanimously.

ADOPTION: IT WAS MOVED BY MR.DUNLOP, SECONDED BY MR. SINGH, AND UNANIMOUSLY CARRIED THAT ITEM 4 (c) RESOLUTION NO. 152-2001, AUTHORIZING A FIRST AMENDMENT TO THE PERSONAL SERVICES CONTRACT WITH CLAUDIA POLLEY TO INCREASE THE CONTRACT AMOUNT BY \$26,400 FOR A TOTAL AGGREGATE AMOUNT NOT TO EXCEED \$46,400 AND TO REVISE THE SCOPE OF SERVICES TO INCLUDE AN ORGANIZATIONAL DEVELOPMENT PLAN AND RELATED SERVICES FOR THE AFRICAN AMERICAN MUSEUM: YERBA BUENA CENTER REDEVELOPMENT PROJECT AREA, BE ADOPTED

- 4 (d) Resolution No. 150-2001, Authorizing a First Amendment to the Personal services contract with Jones Land LaSalle Americas, Inc., for real estate consulting services, increasing the not to exceed amount from \$250,000 to \$350,000; Hunter Point Shipyard Redevelopment Project Area

Presenters: Darby Kremers (Agency Staff), Jessie Blout, MOED

Speakers: Al Norman

Having no more public speakers, President Yee declared public comment closed. President Yee asked the Executive Director if Lennar had been notified. These are consulting services and not being used for development.

Jessie Blout indicated that according to the ENA neither the City nor the Agency is required to get Lennar's approval on this, but that Lennar has been notified.

Commissioner Settles, in response to the public comment, was concerned about the inclusion of the public, but also aware of the sensitivity of privacy during negotiations and requested, where feasible, the community is made aware of what is happening.

Commissioner Settles confirmed that there was \$128,000 left and wanted to clarify the timeframe for which these funds were available. Staff clarified this was for the period of the ENA negotiations only..

Commission Singh inquired as to the original negotiations during the RFP and if Lennar was aware of the issues at that time and wondered why the increased money was requested.

Commissioner Dunlop commented that Mr. Norman raised some important concerns and pointed out that Lennar was funding the money. He also wanted to know if this jeopardized the MOA.

Jesse Blout, MOED, indicated that the City believed this was consistent with the MOA.

Commissioner Dunlop also wanted to know if the thirteen milestones have been met. Staff indicated they had been.

Commissioner Romero clarified that these funds were to be used to advise the Agency, hopefully to allow the Agency an even footing in the negotiation process with Lennar.

Commissioner Palamountain, as a matter of policy, supports the use of consultants when used to put the Agency on even footing. Not to confuse her support, she wanted to clarify the unanswered environmental issues that still are unanswered—in all parcels, A, B, C, D, E & F.

Jessie Blout, MOED, indicated the MOA had specific standards for A, B, C, and D. The MOA indicated that additional analysis had to be done to establish standards for E & F.

Commissioner Palamountain indicated her concern about moving forward with implementation only to see pressure to neglect the remedial issues on these parcels, especially when the environmental issues with E&F are unknown at this time.

Jessie Blout indicated the data gaps should be closed early winter at the latest.

At this time, 5:45 p.m., Commissioner Dunlop departed the meeting.

President Yee instructed the Secretary to insure the records reflected that Commissioner Dunlop left at 5:45p.m.

Commissioner King wanted to insure that the community was involved and wanted to know if the company had an Affirmative Action program for staffing. Staff indicated this plan was presented earlier but would be glad to forward it to Commissioner King.

Commissioner King again emphasized the importance of working with the community and PAC.

Commissioner Romero indicated that he believe Lennar was doing a responsible job.

President Yee invited Lennar to speak before the Commission.

Commissioner Romero raised a point of order.

A representative from Lennar addressed the Commission and reflected on the process and the interaction between the Agency Staff and the City and said he indicated he thought the City and the Agency are doing a great job.

President Yee asked that the speaker identify himself.

The speaker identified himself as Roy Willis, Operations Director, Lennar.

Chair entertained a motion. Commissioners Singh/King moved and seconded.

President Yee asked for any objections, and hearing none, declared this item adopted unanimously with the exception of Commissioner Dunlop who was absent.

ADOPTION: IT WAS MOVED BY MR. SINGH, SECONDED BY MR. KING, AND UNANIMOUSLY CARRIED (MR. DUNLOP ABSENT) THAT ITEM 4 (d) RESOLUTION NO. 150-2001, AUTHORIZING A FIRST AMENDMENT TO THE PERSONAL SERVICES CONTRACT WITH JONES LAND LASALLE AMERICAS, INC., FOR REAL ESTATE CONSULTING SERVICES, INCREASING THE NOT TO EXCEED AMOUNT FROM \$250,000 TO \$350,000; HUNTER POINT SHIPYARD REDEVELOPMENT PROJECT AREA, BE ADOPTED

PERSONS WISHING TO ADDRESS THE MEMBERS ON NON-AGENDA, BUT AGENCY RELATED MATTERS

Norman Pearce, Pier 40 provided Commissioners with individual letters that were distributed to Commissioners along with the Agenda for August 21, 2001.

REPORT OF THE PRESIDENT

- Vice President and President attended two events on Saturday along with Mayor.
- Vice President and President attended Philippine/American Art and Expo 2001.
- In regard to the Chair's effort to modify the Agency's RFP process, he spoke with the Mayor and has his full support.
- The Chair asked the Contract Compliance manager how many people were in his department. He also wanted to verify that all other members were African-American.

REPORT OF THE EXECUTIVE DIRECTOR

- Reported that with respect to HPSY, the community is co-hosting a press conference and community meeting in recognition of the one-year anniversary of the fire.
- Summarized briefly the INFO MEMO from Supervisor Maxwell on the resolution urging the Agency to amend its redevelopment plans for Bayview Hunters Point and to take into consideration the designation of certain parcels as an NC3 District which is consistent with PAC and the concept plan.
- Indicated that a meeting will be held Thursday night 6PM at the Aurora on 4th & Harrison which ARMAX and Whole Foods are hosting.
- Finally, reported that Mr. Bryant and the Agency has had their first initial meeting since Mr. Bryant's return from vacation and that the Agency will continue to keep the Commissioners informed as to progress.

COMMISSIONERS' QUESTIONS AND MATTERS.

- Commissioners Palamountain expressed appreciation for the effort of the acting Secretary and specifically in arranging a meeting with someone who had business before the Commission. As a result she would like to make an official disclosure; ie. a meeting with Mr. Howard Wexler, Ron Megahand and John Elberling regarding Whole Foods.
- Commissioner Settles wanted to commend staff for putting the resolutions immediately before the memos—a definite improvement. Commissioners Settles also reported a phone call from the attorney relating to Whole Foods and there is a tentative meeting set for Monday for further discussions.
- Commissioner Settles wanted to announce that BART was going to have a Job Fair at the Southeast Community Center in the Bayview Hunters Point and wanted a contact on the Agency Staff to coordinate dates and to insure the word gets out to the community. She also indicated there were over 150 jobs open.
- President Yee wanted to disclose that he met with Mr. Wexler and two executives from Whole Foods and they had a long discussion in Mr. Wexler's office.

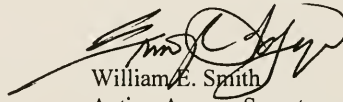
CLOSED SESSION

- (a) Pursuant to Government Code §54956.9(b), Conference with Legal Counsel regarding anticipated litigation: one potential case.
- (b) Pursuant to government Code §54957.6 to instruct the Agency's designated representatives to negotiate with the San Francisco Redevelopment Employee Association-Professional/Technical Unit. Agency designated representatives: Marcia Rosen, Ayisha Benham, and Ora Williams.

ADJOURNMENT

It was moved by Mr. Singh, seconded by Mr. King, and unanimously carried that the meeting be adjourned. The meeting adjourned at 7:50 p.m.

Respectfully submitted,



William E. Smith
Acting Agency Secretary

APPROVED:

August 28, 2001

MINUTES OF A REGULAR MEETING OF THE
REDEVELOPMENT AGENCY OF THE CITY AND
COUNTY OF SAN FRANCISCO HELD ON THE
21ST DAY OF AUGUST 2001

The Commissioners of the Redevelopment Agency of the City and County of San Francisco met in a regular meeting at City Hall, 1 Dr. Carlton B. Goodlett Place, Room 416, in the City of San Francisco, California, at 4:00p.m. on the 21st day of August, 2001, at the place and date duly established for holding of such a meeting.

The President called the meeting to order and on roll call the following answered present:

Benny Y. Yee, President
Leroy King, Vice President
Mark Dunlop
Kathryn C. Palamountain
Ramon E. Romero
Michal Foriest Settles
Darshan Singh

and the following were absent:

The President declared that a quorum was present.

Marcia Rosen, Executive Director, and staff members were also present. DOCUMENTS DEPT.

MATTERS OF NEW BUSINESS

SEP 13 2007

REGULAR AGENDA

SAN FRANCISCO
PUBLIC LIBRARY

- 4 (a)** Workshop on the progress report on Plan Adoption and Amendment work for Survey and Project Areas

Item 4 (a) above, was conducted at the conclusion of the regular agenda items.

- 4 (b)** Resolution No. 153-2001, Authorizing a First Amendment to a Loan Agreement with Conard Housing Development Corporation, a California nonprofit public benefit corporation, in an amount not to exceed \$628,510 for a total aggregate amount of \$888,676 for the rehabilitation of extremely low income rental housing at 3327-3331 26th Street; Citywide Tax Increment Housing Program

Presenters: Michele Davis (Agency Staff), Richard Heasley (Conard House)

Speakers: Jeffrey Springstead, Aaron Rosenberg, Cort Gross, Mickey Shipley

Commissioner Palamountain referring to Mr. Shipley's comments, agreed whole-heartedly with the supportive housing program and lent her support and makes a motion to adopt the item.

Commissioner Dunlop thanked the residents and staff of Conard House for coming to the meeting and stated his support for the program. Mr. Dunlop inquired about the wheelchair accessibility of the building and urged accommodation to all people with other disabilities.

Commissioner Foriest Settles stated her impassioned support for the program and commended staff for a thorough presentation and congratulated the residents and wished them the best.

President Yee remarked that this is a wonderful project serving the neediest of the City's population and stated his support for the program. Mr. Yee asked if the Agency has other projects similar to Conrad House and Olson Lee, Housing Manager for the Agency provided an overview of the Agency's supportive housing program. Mr. Yee inquired about the deferred maintenance issue of the building and asked if the funds being sought are enough to address the maintenance issues.

ADOPTION: IT WAS MOVED BY MS. PALAMOUNTAIN, SECONDED BY MR. DUNLOP, AND UNANIMOUSLY CARRIED THAT ITEM 4 (b) RESOLUTION NO. 153-2001, AUTHORIZING A FIRST AMENDMENT TO A LOAN AGREEMENT WITH CONARD HOUSING DEVELOPMENT CORPORATION, A CALIFORNIA NONPROFIT PUBLIC BENEFIT CORPORATION, IN AN AMOUNT NOT TO EXCEED \$628,510 FOR A TOTAL AGGREGATE AMOUNT OF \$888,676 FOR THE REHABILITATION OF EXTREMELY LOW INCOME RENTAL HOUSING AT 3327-3331 26TH STREET; CITYWIDE TAX INCREMENT HOUSING PROGRAM, BE ADOPTED

- 4 (c) Resolution No. 154-2001, Conditionally Approving the Combined Basic Concept and Schematic Design for Parcel 1 of Block 41 in Mission Bay South pursuant to an Owner Participation Agreement with Catellus Development Corporation; a Delaware Corporation; Mission Bay South Redevelopment Project Area

Presenter: Amy Neches (Agency Staff), Eric Harrison (Catellus), Nelson Lao (Architect)

Commissioner Singh asked how much of the \$33 million construction contracts went to East-Indian firms. Mr. Chris Iglesias, Contract Compliance Supervisor clarified that the contracts let out to East Indian and other minority firms were for consultant contracts and not construction contracts. Mr. Singh remarked that this is a good project and puts forth a motion to adopt the item. Commissioner Palamountain congratulated Catellus for their efforts to provide diversity in all of their contracting work and for including all of San Francisco specially disadvantaged business and commended their efforts. Ms. Palamountain stated that she was looking forward to reading the Mission Bay Child Care Plan. Ms. Palamountain referred to the Gladstone Project community space and asked where it is located in relation to this Block 41 project. Ms. Neches pointed out the locations of the various open spaces proposed in Mission Bay. Ms. Palamountain remarked that it is good to see the big picture particularly on a project of this magnitude. Ms. Palamountain referring to staff's concern about the metal louvers facing on 16th Street, asked if there were sample materials available.

President Yee remarked that the building has an attractive design and asked why blue glass is being used instead of white. Nelson Lao architect, explained that blue glass is more energy efficient and is more aesthetically pleasing with the overall building design.

ADOPTION: IT WAS MOVED BY MR. SINGH, SECONDED BY MS. FORIEST SETTLES, AND UNANIMOUSLY CARRIED THAT ITEM 4 (c) RESOLUTION NO. 154-2001, CONDITIONALLY APPROVING THE COMBINED BASIC CONCEPT AND SCHEMATIC DESIGN FOR PARCEL 1 OF BLOCK 41 IN MISSION BAY SOUTH PURSUANT TO AN OWNER PARTICIPATION AGREEMENT WITH CATELLUS DEVELOPMENT CORPORATION; A DELAWARE CORPORATION; MISSION BAY SOUTH REDEVELOPMENT PROJECT AREA, BE ADOPTED

- 4 (d) Resolution No. 155-2001, Rescission of Resolution 138-2001, authorizing the issuance, sale and delivery of multifamily housing revenue bonds in one or more series in an aggregate principal amount not to exceed \$10,700,000; and authorizing the issuance, sale and deliverable of variable rate demand multifamily housing revenue bonds (Ocean Beach Apartments) 2001 Series B in a principal amount not to exceed \$9,649,519; determining and prescribing certain matters relating thereto, and approving and authorizing related actions and the execution and delivery of related documents, as part of the Agency's Housing Preservation Program; Citywide tax increment housing program

Presenters: Sean Spear (Agency staff)

Commissioner Singh asked why this matter is only coming to the Commission at this late date when the bond closing is on August 24th. Executive Director Marcia Rosen explained that the original lender decided to dropout of the deal resulting in finding another lender.

Commissioner Foriest Settles stated her support for this item and asked for clarification on the language of the Resolution, specifically the reference to the “Secretary” instead of “Agency Secretary” and asked what the official moniker is when referring to the Commission Secretary. Agency General Counsel Bertha A. Ontiveros explained that this is an oversight and assured the Commission that the Resolution will be revised to reflect the appropriate language.

ADOPTION: IT WAS MOVED BY MR. SINGH, SECONDED BY MS. FORIEST SETTLES, AND UNANIMOUSLY CARRIED THAT ITEM 4 (d) RESOLUTION NO. 155-2001, RESCISSION OF RESOLUTION 138-2001, AUTHORIZING THE ISSUANCE, SALE AND DELIVERY OF MULTIFAMILY HOUSING REVENUE BONDS IN ONE OR MORE SERIES IN AN AGGREGATE PRINCIPAL AMOUNT NOT TO EXCEED \$10,700,000; AND AUTHORIZING THE ISSUANCE, SALE AND DELIVERABLE OF VARIABLE RATE DEMAND MULTIFAMILY HOUSING REVENUE BONDS (OCEAN BEACH APARTMENTS) 2001 SERIES B IN A PRINCIPAL AMOUNT NOT TO EXCEED \$9,649,519; DETERMINING AND PRESCRIBING CERTAIN MATTERS RELATING THERETO, AND APPROVING AND AUTHORIZING RELATED ACTIONS AND THE EXECUTION AND DELIVERY OF RELATED DOCUMENTS, AS PART OF THE AGENCY’S HOUSING PRESERVATION PROGRAM; CITYWIDE TAX INCREMENT HOUSING PROGRAM, BE ADOPTED.

At this time the Commission conducted the workshop called for on item 4 (a) of the Regular Agenda.

- 4 (a)** Workshop on the progress report on Plan Adoption and Amendment work for Survey and Project Areas

Presenters: Jose Campos (Agency staff)

Speakers: Doris M. Vincent, Carolyn Diamond

Commissioner Foriest Settles echoed the public’s comments about staff’s hard work with the community and commended Mr. Campos for an excellent presentation.

Commissioner Palamountain inquired about representation by Mid-Market organizations in the Project Area Committee and Ms. Carolyn Diamond responded and informed the Commission that indeed, the PAC has representative members who are commercial tenants and property owners. Ms. Palamountain asked what is the latest date that the Agency can collect tax increment in Western Addition since the Redevelopment Plan expires on January 1, 2009. Agency General Counsel Bertha A. Ontiveros explained that the Agency has until January 1, 2004 to incur project indebtedness pursuant to the California Community Redevelopment Law. Ms. Ontiveros pointed out that the recently enacted Assembly Bill 2113 which provides authority to utilize tax increment money to develop affordable housing on the Central Freeway parcels enables the Agency to spend tax increment money beyond the 2004 date, but only for affordable housing development on those designated Central Freeway parcels. Ms. Palamountain requested an informational memorandum on financing strategies including tax increment financing, for the Western Addition specifically Parcel 732-A.

President Yee commented that the AB 2113 tax increment authority extends the redevelopment plan to the year 2014. Mr. Yee stated that staff did an outstanding job in its presentation.

At this time, 5:30 p.m., Commissioner King departed the meeting.

REPORT OF THE PRESIDENT

- Reported that Commissioners King, Singh and President Yee attended the South of Market PAC meeting held Monday, August 20th and Mr. Yee has a lot of concerns and has shared these concerns with the Executive Director and will reserve his comments.
- Inquired about the revision of the Agency's RFP policies and asked Mr. Olson Lee to work on revising the RFP rules.
- Asked for the status on Commissioner King's earlier request of the names of employees at the Whitted Dawson and Seifel Associates consultant firms. Executive Director Marcia Rosen stated that she was not aware of such request and therefore, have not prepared a response and requested the Commission to direct request of information to the Executive Director. Mr. Yee agreed and stated that all requests should be directed to the Executive Director.
- Received a telephone call from Norman Pearce requesting information about a settlement process for existing litigation by the Agency. Agency General Counsel Bertha A. Ontiveros pointed out that because this involves a litigation issue, the matter should be scheduled and discussed at a future closed session of the Commission. Mr. Yee agreed and asked that the matter be calendared for next week's meeting.

President Yee made remarks about ground rules for the Commission meetings, specifically public comment, pointing out that if Commissioners would like to speak, they should notify the Chair by pressing their “request to speak” buttons on their monitors. Mr. Yee stated that he would appreciate no interruptions when the Chair is speaking.

REPORT OF THE EXECUTIVE DIRECTOR

- Informational memorandum regarding a San Francisco Beautiful award for Tutubi Park in the South of Market Project Area. Annual dinner on October 18th where the award will be presented to the Agency and the Executive Director has been asked to receive the award on behalf of the Agency Commission.
- Japantown Planning Task Force meeting scheduled for Thursday, August 23rd, 6:00 to 9:00 p.m. and Saturday, August 25th, 9:00 a.m. to 12:00 noon. Ms. Rosen informed the public that they can contact the Agency Secretary for more information.

COMMISSIONERS’ QUESTIONS AND MATTERS.

- President Yee requested a full accounting of the total expenditures for the Tutubi Park, recalling that there were a lot of discrepancies with expenditures for the park.
- Commissioner Foriest Settles asked the Agency Secretary to record a disclosure contact with Whole Foods Store – meeting with Howard Wexler, Ron Megahand and John Elberling.
- Commissioner Dunlop thanked Asian Neighborhood Design and President Benny Y. Yee for their efforts in making Tutubi Park a reality. Mr. Dunlop asked President Yee if he should just contact staff if he had comments on the RFP policies. President Yee responded affirmatively and stated that the matter will be brought before the Commission at a future date. Mr. Dunlop also reported a disclosure contact with Howard Wexler and John Elberling regarding the Whole Foods Store.
- Commissioner Singh likewise reported that Howard Wexler has contacted him.
- Commissioner Romero thanked Asian Neighborhood for the framed award and remarked that he supported the project throughout.

Minutes of a Regular Meeting August 21, 2001

- President Yee inquired about the Whitted Dawson and Seifel Associates consultant firms and asked how often the Agency change consultants from the pool of consultants. Mr. Yee asked how many consultants there were in the pool.

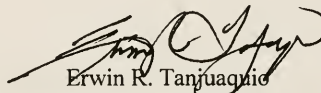
CLOSED SESSION

- (a) Pursuant to Government Code §54956.9(a): Conference with Legal Counsel regarding arbitration with regard to Placement of Employees (ARB. Case #00-0-378, Dept. of Industrial Relations). Parties: International Federation of Professional and Technical Engineers Local 21; Service Employees International Union Local 790; and San Francisco Redevelopment Employees Association.
- (b) Pursuant to Government code §54957.6 to instruct the Agency's designated representatives to negotiate with the San Francisco Redevelopment Employees Association – Management/Supervisory Unit. Agency designated representatives: Marcia Rosen, Ayisha Benham, and Ora Williams.

ADJOURNMENT

It was moved by Mr. Dunlop, seconded by Mr. Singh, and unanimously carried that the meeting be adjourned. The meeting adjourned at 6:31 p.m.

Respectfully submitted,



Erwin R. Tanjuaque
Agency Secretary

APPROVED:

August 28, 2001

MINUTES OF A REGULAR MEETING OF THE
REDEVELOPMENT AGENCY OF THE CITY AND
COUNTY OF SAN FRANCISCO HELD ON THE
28TH DAY OF AUGUST 2001

The Commissioners of the Redevelopment Agency of the City and County of San Francisco met in a regular meeting at City Hall, 1 Dr. Carlton B. Goodlett Place, Room 416, in the City of San Francisco, California, at 4:00p.m. on the 28th day of August, 2001, at the place and date duly established for holding of such a meeting.

The President called the meeting to order and on roll call the following answered present:

Benny Y. Yee, President
Leroy King, Vice President
Mark Dunlop
Kathryn C. Palamountain
Ramon E. Romero
Michal Forrest Settles (arrives @ 4:40 p.m.)
Darshan Singh

and the following were absent:

The President declared that a quorum was present.

Marcia Rosen, Executive Director, and staff members were also present.

MATTERS OF NEW BUSINESS

DOCUMENTS DEPT.

CONSENT AGENDA

SEP 13 2007

SAN FRANCISCO
PUBLIC LIBRARY

- 4 (a) Approval of Minutes: Meetings of August 14 and 21, 2001

ADOPTION: IT WAS MOVED BY MR. DUNLOP, SECONDED BY MR. SINGH, AND UNANIMOUSLY CARRIED (MS. FORREST SETTLES ABSENT) THAT CONSENT AGENDA ITEM 4 (a) APPROVAL OF MINUTES: MEETINGS OF AUGUST 14 AND 21, 2001, BE ADOPTED.

REGULAR AGENDA

- 4 (b) Resolution No. 156-2001, Commending and Expressing Appreciation to Captain Jim White for his dedicated services upon the occasion of his departure from the Redevelopment Agency of the City and County of San Francisco

Presenters: James Nybakken (Agency Staff)

Captain White addressed the Commission and shared his retirement plans and a bit of his personal and professional background. Captain White thanked each member of the Commission and staff during his time with the Agency and remarked that he has enjoyed his work at the Agency and will miss coming to Commission meetings and seeing the Commissioners. Captain White stated that it has been a pleasure serving the City and County of San Francisco, both as a Police Officer of 29 years and as the Agency's Security Officer for the past eight years. Captain White thanked everyone at the Agency and that he will come and see the Commissioners some day.

President Yee announced that he has obtained a special presentation from the Mayor's Office proclaiming August 28, 2001 as Jim White Day. Mr. Yee thanked Captain White for his dedicated service to the City and County of San Francisco and commented that the Mayoral Proclamation was signed personally by the Mayor and not just a signature stamp. Mr. Yee congratulated Captain White, wished him the best and urged him to come back and see the Commission some day.

Commissioner Romero wished Captain White all the best and expressed his personal thanks for the fine job Captain White has done for the Agency. Mr. Romero remarked that if one looks around the room there would not seem to be any security concerns and recalled a meeting filled with over 200 people concerned about a very hot issue before the Commission with a lot of heated debate, people on edge and not once did Mr. Romero feel that he was in any danger because of Captain White's presence. Mr. Romero commended Captain White for his professional conduct and remarked that Captain White always did his job in an unobtrusive manner but still effective and thanked him for his services.

Commissioner Dunlop recalled being introduced to Captain White when he first started at the Commission and was told that Captain White is a great man. Mr. Dunlop commented that he soon found this to be true during heated meetings where Captain White kept his eye on the situation calmly, wisely and never overreacting and always kept his cool. Mr. Dunlop remarked that Captain White's presence at Commission meetings made the Commissioners feel safe and protected. Mr. Dunlop stated that it was a joy to come on Tuesday afternoons and see Captain White's smiling face and was glad to see him back in good health, but is sorry to see a friend go. Mr. Dunlop wished Captain White the best of luck and said that he would visit Captain White in Arizona.

Commissioner King shared that he has known Captain White many years and that he is going to miss him, particularly at the Petrini Grocery where they used to eat together. Mr. King congratulated Captain White, wished him the best and asked that Captain White leave his address and telephone number in Arizona so that he can visit him some day.

Commissioner Singh recalled that when he first came to the Commission, Captain White was one of the first people he met and that Captain White always had a smile on his face. Mr. Singh thanked Captain White for his services and wished him good luck in Arizona.

Commissioner Palamountain congratulated Captain White on his retirement and remarked that it has been a joy to meet Captain White and thanked him for his services. Ms. Palamountain said that it is a sad day for the Agency to not have Captain White come to the Commission meetings every Tuesday and commented that it is good for Captain White to take time out with his family in Arizona and wished him the best.

President Yee opened the public comment and asked if anyone in the public would like to speak.

Speakers: Al Norman, Cheryl Towns, Erwin R. Tanjuaquio, Shirley Wysinger

President Yee told Captain White that the Mayor sends his best and presented the Mayoral Proclamation to Captain White.

ADOPTION: IT WAS MOVED BY MR. ROMERO, SECONDED BY MR. DUNLOP, AND UNANIMOUSLY CARRIED (MS. FORIEST SETTLES ABSENT) THAT ITEM 4 (b) RESOLUTION NO. 156-2001, COMMENDING AND EXPRESSING APPRECIATION TO CAPTAIN JIM WHITE FOR HIS DEDICATED SERVICES UPON THE OCCASION OF HIS DEPARTURE FROM THE REDEVELOPMENT AGENCY OF THE CITY AND COUNTY OF SAN FRANCISCO, BE ADOPTED.

- 4 (c) Resolution No. 157-2001, Authorizing a Second Amendment to the Disposition and Development Agreement with SF Museum Tower LLC, a Delaware limited liability company, for Parcel EB-2A, located at the southeast corner of Third and Mission Streets, to provide for lease requirements and financial support in the amount of \$2,000,000 for the proposed Cultural/Museum Facility; Yerba Buena Center Approved Redevelopment Project Area

Presenters: William Carney, Judy Eng (Agency Staff)

President Yee inquired about the additional operational funding support of \$875,000 and asked if these funds are in the Agency's current fiscal year budget. Mr. Carney responded in the affirmative. President Yee asked if the project is on schedule to complete in late 2003.

Commissioner Dunlop expressed his appreciation and lent his support for the project and remarked that it is unique to have such a lease arrangement for a cultural facility such as the one proposed for the African-American Museum which will insure its success and bright future with the extended 99-year lease. Mr. Dunlop congratulated everyone involved.

President Yee echoed Commissioner Dunlop's comments and commented that this is a marvelous deal for the African-American Museum.

ADOPTION: IT WAS MOVED BY MR. KING, SECONDED BY MR. SINGH, AND UNANIMOUSLY CARRIED (MS. FORIEST SETTLES ABSENT) THAT ITEM 4 (c) RESOLUTION NO. 157-2001, AUTHORIZING A SECOND AMENDMENT TO THE DISPOSITION AND DEVELOPMENT AGREEMENT WITH SF MUSEUM TOWER LLC, A DELAWARE LIMITED LIABILITY COMPANY, FOR PARCEL EB-2A, LOCATED AT THE SOUTHEAST CORNER OF THIRD AND MISSION STREETS, TO PROVIDE FOR LEASE REQUIREMENTS AND FINANCIAL SUPPORT IN THE AMOUNT OF \$2,000,000 FOR THE PROPOSED CULTURAL/MUSEUM FACILITY; YERBA BUENA CENTER APPROVED REDEVELOPMENT PROJECT AREA, BE ADOPTED.

At this time, 4:40 p.m. Commissioner Foriest Settles arrives.

Items 4 (d) and (e) were presented together and acted upon separately.

- 4 (d)** Resolution No. 158-2001, Authorizing a Personal Services Contract with the Freelon Group, Inc., a North Carolina corporation, to provide Concept Development and Programming Services for the African American Museum to be located at Third and Mission Streets, in an amount not to exceed \$280,244; Yerba Buena Center Redevelopment Project Area

Presenters: William Carney (Agency Staff)

- 4 (e)** Resolution No. 159-2001, Authorizing Expenditure of an amount not to exceed \$25,000 to reimburse expenses for travel by Steering Committee and Staff to selected museums for fact finding and concept development of the African American Museum; Yerba Buena Center Redevelopment Project Area

Presenters: Cheryl Towns (Agency Staff), Dr. Raye Richardson (Steering Committee member)

Speakers: Wade Woods

Dr. Raye Richardson, owner of Marcus Books and a member of the African-American Museum Steering Committee, provided the following soliloquy:

"I want to say hello to all the Commissioners and I want to thank you for the support that you have given this project. Without that support, I guess we wouldn't be here today. It's important it seems to me in this kind of grandiose undertaking to have as many elements working with you as possible and we feel that this institution, this facility that would come to fruition in 2003 should be reflective of the City and the qualities that have made this City great. There are many cities in the world that are larger, that are older, none of them have the reputation that San Francisco has. And we want this facility to be reflective of the kind of feel that people around the world have for San Francisco. We also want to do something entirely innovative, we don't want a facility that collects slave collars...that was fine yesterday, but we have a vision for tomorrow and we need to have a museum that deals with the reality of the 21st century which means, to me, that we take advantage of the technology that is available now to us, so we don't create a stagnant facility that people who visit our museum will have what we hope will be an epiphany that they will understand to some extent, we hope to a large extent, what it has meant to be black in the history of this world. And that that little period of enslavement of our people, was only a minute in the history of our people. And we hope that our museum will be reflective of that. That it will show the positive things that our people have brought to our culture. In the culture of the world, black people have always been visible and we want this museum to reflect that. We want all children, especially children to visit this facility and feel enlarged by the experience. That is what we hope will happen here. We also want to visit other museums across the country because they're the roots, they're the base on which we build, and we would like for them to share with us their experiences in building their museums. We do not want to replicate what's already been done but we want, in the sense of globalization and 20th century aesthetics to build a museum that our grandchildren, our great grandchildren, and our great, great, great, great, great grandchildren will be very proud of, and will be grateful to us for having done it. Thank you for your support and we hope it will continue."

Commissioner Dunlop puts forth a motion to adopt the item and wished the Freelon Group and all the participants good luck and commended them and staff for the stunning vision for the African-American Museum. Mr. Dunlop stated that he is looking forward to the work that will come forward and seeing the museum come to fruition. Mr. Dunlop assured Mr. Wade Woods that the Commission will make sure that there will be local participation at every level of the work and thanked Mr. Woods for coming to the meeting.

Commissioner Palamountain seconds the motion and expressed her support for the project. Ms. Palamountain commented that as an attorney, she does not have a lot of opportunity to be creative, but certainly appreciates the detailed chart telling her when everything is going to take place and breaking it down to digestible pieces. Ms. Palamountain stated that as far as the vision for the African-American museum, she was utterly transfixed by Dr. Richardson's description of that vision and appears that we are all in very good hands as the project moves forward. Ms. Palamountain said that she's looking forward to the consultant's work and thanked everyone involved.

Commissioner Foriest Settles stated her support for the project and thanked staff and all of the participants for their hard work. Ms. Foriest Settles advised Dr. Richardson that she too, was transfixed by her words and suggested that Dr. Richardson should be the spokesperson for this project and that it is wonderful to have Dr. Richardson a part of the project along with other members of the Steering Committee and along with the professional expertise of the consultants. Ms. Foriest Settles stated that Dr. Richardson spoke eloquently of the project and remarked that this process feels good, that it feels organized and thought-through and that a great sense of real planning has gone into the project. Ms. Foriest Settles stated that she has all the belief that this museum will be nothing short of exceptional and wished everyone involved the best of luck and looked forward to seeing the results of their work.

President Yee thanked everyone, in particular Dr. Richardson for her excellent comments. Mr. Yee stated that he is looking forward to the museum's grand opening.

ADOPTION: IT WAS MOVED BY MR. DUNLOP, SECONDED BY MS. PALAMOUNTAIN, AND UNANIMOUSLY CARRIED THAT ITEM 4 (d) RESOLUTION NO. 158-2001, AUTHORIZING A PERSONAL SERVICES CONTRACT WITH THE FREELON GROUP, INC., A NORTH CAROLINA CORPORATION, TO PROVIDE CONCEPT DEVELOPMENT AND PROGRAMMING SERVICES FOR THE AFRICAN AMERICAN MUSEUM TO BE LOCATED AT THIRD AND MISSION STREETS, IN AN AMOUNT NOT TO EXCEED \$280,244; YERBA BUENA CENTER REDEVELOPMENT PROJECT AREA, BE ADOPTED.

ADOPTION: IT WAS MOVED BY MR. DUNLOP, SECONDED BY MR. SINGH, AND UNANIMOUSLY CARRIED THAT ITEM 4 (e) RESOLUTION NO. 159-2001, AUTHORIZING EXPENDITURE OF AN AMOUNT NOT TO EXCEED \$25,000 TO REIMBURSE EXPENSES FOR TRAVEL BY STEERING COMMITTEE AND STAFF TO SELECTED MUSEUMS FOR FACT FINDING AND CONCEPT DEVELOPMENT OF THE AFRICAN AMERICAN MUSEUM; YERBA BUENA CENTER REDEVELOPMENT PROJECT AREA, BE ADOPTED

- 4 (f) Resolution No. 160-2001, Authorizing a Letter Agreement with the Department of Public Works of the City and County of San Francisco in an amount not to exceed \$918,159 for the Agency's share of the construction cost of Sixth Street Corridor Improvements, Phase I; South of Market Earthquake Recovery Redevelopment Project Area

Presenters: William Carney (Agency staff)

Commissioner Dunlop puts forth a motion to adopt the item and asked staff to explain to the public delay in completing this project in light of the fact the earthquake was in 1989. Mr. Carney explained that the presence of sub-basements under the sidewalks has caused repeated delays in improving the sidewalks along Sixth Street beginning in the mid-'90s when this effort was started. Mr. Carney informed the Commission that a process has been initiated to assist property owners in abandoning the basements to pave the way for improving the sidewalks.

President Yee asked why the improvement project was handled by the Department of Public Works and not the Agency. Mr. Yee asked if staff was aware of any other bidders on the project and inquired about the proposed contractor, Esquivel Grading and Paving Company and asked how long this company has been in business. Mr. Jun Corancho from the Department of Public Works responded and informed the Commission that there was another contractor, A. Ruiz Paving Construction Company that submitted a bid for the project. Mr. Corancho advised the Commission that the selected contractor, Esquivel Grading and Paving Company has done a lot of work for the Department of Public Works and has been in business for many years.

ADOPTION: IT WAS MOVED BY MR. DUNLOP, SECONDED BY MS. FORIEST SETTLES, AND UNANIMOUSLY CARRIED THAT ITEM 4 (f) RESOLUTION NO. 160-2001, AUTHORIZING A LETTER AGREEMENT WITH THE DEPARTMENT OF PUBLIC WORKS OF THE CITY AND COUNTY OF SAN FRANCISCO IN AN AMOUNT NOT TO EXCEED \$918,159 FOR THE AGENCY'S SHARE OF THE CONSTRUCTION COST OF SIXTH STREET CORRIDOR IMPROVEMENTS, PHASE I; SOUTH OF MARKET EARTHQUAKE RECOVERY REDEVELOPMENT PROJECT AREA, BE ADOPTED.

PERSONS WISHING TO ADDRESS THE MEMBERS ON NON-AGENDA, BUT AGENCY RELATED MATTERS:

- Norman Pearce (Pier 40)

REPORT OF THE PRESIDENT

- Requested staff to take note of Mr. Norman Pearce's economic loss at the Pier 40 Roastery and instructed staff to schedule a meeting with Mr. Pearce to resolve the issue.
- President Yee shared that other Commissioners have asked about the parliamentarian not being present at Commission meetings and Mr. Yee explained that since the new Executive Director came aboard a couple of months ago, the Commission is working harmoniously with the new Executive Director and he felt that it was not necessary to have a parliamentarian. Mr. Yee added that the new Executive Director is working very closely with all of the Commissioners and hoped that the positive relationships will continue during the coming years and longer.
- President Yee inquired about the revised RFP and asked when will the matter be before the Commission's consideration. Executive Director Marcia Rosen responded and informed President Yee and the Commission that an informational memorandum shall be prepared along with a boilerplate of the RFP and will be sent to the Commission next week.

President Yee remarked that he has not heard anyone from the public not supporting his modifications to the RFP and that he believed that the RFP has been in existence for a long time and that it is outdated and should be revised. Mr. Yee reminded the Commission that they are there to serve the public and to serve them well. Mr. Yee pointed to language in the RFP that states preference to non-profit developers and opined that this is not fair to the general public. Mr. Yee referred to SB 2113 stating that this will provide \$200 million in the next 13 years for the development of affordable housing and that he wanted to a fair playing field for the public in the expenditure of these funds. Mr. Yee commented that there should be equal footing among all developers, be they for-profit or non-profit and urged staff to remove inappropriate language in the RFP and implement the modifications he and the Commission has suggested.

- President Yee informed the Commission and the public that there would not be a Commission Meeting on September 4th.

REPORT OF THE EXECUTIVE DIRECTOR

- Informed the Commission that the Ocean Beach Apartments Bonds have been sold.
- Reported that the CDLAC application for the Namiki development has been approved and CDLAC has allocated bonds which completes the financing of the project.
- Announced a community meeting regarding the Octavia Boulevard parcels on Thursday, September 13th from 6:30 to 8:30 p.m. at the Cathedral Hill Hotel.
- Announced the groundbreaking ceremony for the Mexican Museum on September 14th.

COMMISSIONERS' QUESTIONS AND MATTERS.

- Commissioner Palamountain stated that she did not quite understand the proposed modifications to the RFP because she had not seen any of the proposed changes and pointed out that SB 2113 money is limited to specific purposes, that of affordable housing development. Ms. Palamountain stated that in order to make informed decisions about fairness to the public, she would also like included in the RFP, information about what limitations the Commission can usually expect from developers applying for these funds.
- Commissioner Romero stated that he was also perplexed by the President's remarks about the RFP and does not recall hearing complaints from the public about the Agency's RFP process. Mr. Romero pointed out that on the issue of fairness, there has not been any allegation of unfairness and would definitely like to hear from staff if such allegations have been made. Mr. Romero stated that the only dispute he recalls was a late submission of a response to a RFP deadline, but otherwise thought that the Agency has a very good process.
- Commissioner King reminded the Commission that it conducted a public workshop just weeks ago and that the Commission and staff will be looking at improving the RFP process. Mr. King commented that he has problems with the RFP process and there will be opportunity to debate the matter in the near future.
- President Yee pointed out that there is language in the RFP that gives priority to non-profit developers in the Project Area and stated that his is not fair to the public, explaining that developers must have prior housing development experience to qualify, stating that this process is biased.

- Commissioner Romero responding to Commissioner King's comments stated that he does remember the workshop and remembers no complaints from the public about the Agency's RFP process. Mr. Romero stated that the fairness issue concerns him and suggested that the Commission be very specific about issues or matters relating to fairness and that he did not particularly like the implication that somehow the Agency has engaged in some unfair practice.
- President Yee reminded the Commission that it approved a \$20 million project where tenants selected the developer, pointing out that the Agency staff is well trained and should have made the developer selection. Mr. Yee commented that developer was given site control and that this was not fair because only a few developers had the opportunity to compete for the project.
- Commissioner Palamountain expressed her policy preference on this matter and stated that low-income people are regularly shut out from the rental housing market and that low-income tenants are not afforded the choice of their living conditions and how they live. Ms. Palamountain stated that in her opinion, non-profit developers have done a wonderful job of making sure that low-income tenants, including tenants with disabilities and tenants that have been traditionally shut out of the rental housing market to have a voice in participating in their living environment. Ms. Palamountain added that tenant participation in choosing who will redevelop and manage their housing, provide community services and manage community spaces is a wonderful idea and wholeheartedly support it.
- Commissioner King commented that the Commission does not even have the RFP document and when staff provides the revised RFP, then the Commission can have a debate about it. Mr. King advised that the Commission should not take any position now.
- Commissioner Dunlop agreed with Commissioner King, pointing out that there is nothing to debate at this time, but that he could not let President Yee's comments go without a response. Mr. Dunlop remarked that tenant empowerment is one of the hallmarks of the Agency's housing preservation program and that the Agency has a nationally lauded housing preservation program, that this it is very important to have tenant participation in preserving the very scarce low-income housing in the City and to even suggest of not involving the tenants would be tantamount to disservice to the very people the Agency is supposed to be serving.

- Commissioner Foriest Settles stated that she is looking forward to the debate on the RFP process, but asked when the tentative date is for the Whole Foods matter. Executive Director Marcia Rosen informed the Commission that a closed session item regarding the Whole Foods matter will be scheduled for the Commission meeting of September 11th.
- Commissioner Romero wanted to go on record of requesting a parliamentarian to be present at the meeting where the RFP process will be discussed.
- President Yee stated that he sympathized with low-income tenants and that his intention is to improve the process to insure fairness.

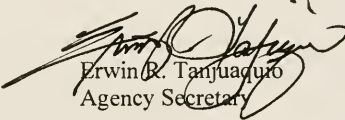
CLOSED SESSION

- (a) Pursuant to Government Code §54956.8 to instruct the Agency's real property negotiators with respect to price and terms of payment. The property is located at the southeast corner of Turk and Gough Streets, Block 761 Lot 27; Western Addition A-2 Redevelopment Project Area. The owner of the property with whom the Agency may negotiate with is the City and County of San Francisco. Agency negotiators: Marcia Rosen, Olson Lee, Sean Spear, Kate Hartley, and Shirley Wysinger.
- (b) Pursuant to Government Code §54956.8 to instruct the Agency's real property negotiators with respect to price and terms of payment. The property is located at the southwest corner of Franklin Street and Golden Gate Avenue, Block 768 Lot 13, Western Addition A-2 Redevelopment Project Area. The owner of the property with whom the Agency may negotiate with is the City and County of San Francisco. Agency negotiators: Marcia Rosen, Olson Lee, Sean Spear, Kate Hartley, and Shirley Wysinger.
- (c) Pursuant to California Government Code §54956.9, Conference with Legal Counsel regarding existing litigation. Three existing cases:
 - (1) SFRA v. Norman Pearce, Pier 40 Roastery, Inc., Mark Evans and Terry Johns (SF Superior Court-Limited, Case No. 176632);
 - (2) Mark Evans v. Norman Pearce, Pier 40 Roastery, Inc., and SFRA (SF Superior Court.-Unlimited, Case No. 310861); and
 - (3) Sofia Burakovskaya V. SBMA Ltd., South Beach Marina, Inc., Robert W. Poyas Landscaping, SFRA (SF Superior Court No. 313 716)
- (d) Pursuant to Government Code §54956.9(a): Conference with Legal Counsel regarding arbitration with regard to Placement of Employees (ARB. Case #00-0-378, Dept. of Industrial Relations). Parties: International Federation of Professional and Technical Engineers Local 21; Service Employees International Union Local 790; and San Francisco Redevelopment Employees Association.

ADJOURNMENT

It was moved by Mr. Singh, seconded by Mr. King, and unanimously carried that the meeting be adjourned. The meeting adjourned at 7:40 p.m.

Respectfully submitted,



Erwin R. Tanjuaquio
Agency Secretary

APPROVED:

September 18, 2001

MINUTES OF A REGULAR MEETING OF THE
REDEVELOPMENT AGENCY OF THE CITY AND
COUNTY OF SAN FRANCISCO HELD ON THE
18TH DAY OF SEPTEMBER 2001

The Commissioners of the Redevelopment Agency of the City and County of San Francisco met in a regular meeting at City Hall, 1 Dr. Carlton B. Goodlett Place, Room 416, in the City of San Francisco, California, at 4:00p.m. on the 18th day of September 2001, at the place and date duly established for holding of such a meeting.

The President called the meeting to order and on roll call the following answered present:

Benny Y. Yee, President
Leroy King, Vice President
Mark Dunlop
Kathryn C. Palamountain
Ramon E. Romero
Michal Foriest Settles
Darshan Singh

DOCUMENTS DEPT.

and the following were absent:

SEP 13 2007

The President declared that a quorum was present.

SAN FRANCISCO
PUBLIC LIBRARY

Helen Sause, Acting Executive Director, and staff members were also present.

President Yee acknowledged the tragic events of September 11, 2001 and spoke eloquently about the impacts of the attacks in New York and Washington D.C. to the rest of the country, in particular San Francisco. Mr. Yee led the Commission and the public in a moment of silence to show respect and solidarity with the victims of the tragedy and their families. Mr. Yee expressed his appreciation to the public in attendance.

Agency Secretary Erwin R. Tanjuaquio announced that the regular meeting of the Affordable Housing Committee scheduled for September 18th has been cancelled and that a Special Meeting is scheduled for September 25th.

MATTERS OF NEW BUSINESS

CONSENT AGENDA

4 (a) Approval of Minutes: Meeting of August 28, 2001

The Agency Commission did not consider this item - Item 4 (b) below was withdrawn from the Agenda because the 2001 National HOPWA Formula Grantee's Meeting has been cancelled.

- 4 (b) Resolution No. 161-2001, Authorizing travel expenses for Chris Harris, Housing Division, to attend the AIDS Housing of Washington's 2001 National HOPWA Formula Grantee's Meeting on October 3-5, 2001 in Washington, DC at a cost not to exceed \$1,230
- 4 (c) Resolution No. 162-2001, Authorizing a First Supplemental Trust Indenture with BNY Western Trust Company, a State Banking Corporation, as Trustee relating to the Agency's \$26,070,000 Multifamily Housing Revenue Bonds (GNMA Collateralized-1045 Mission Apartments), Series 1998 C and \$3,930,000 Multifamily Housing Revenue Bonds (GNMA Collateralized-1045 Mission Apartments), Taxable Series 1998D for the Affordable Housing Project located at 1045 Mission Street; South of Market Earthquake Recovery Project Area
- 4 (d) Resolution No. 163-2001, Authorizing a Second Amendment to the Disposition and Development Agreement with Site X Development Associates, LLC, a California limited liability company, to Extend the Schedule of Performance and Amend the Scope of Development to revise the unit mix of first time homebuyer affordable units at Site X located on Keith Street near Hudson Avenue; Hunters Point Redevelopment Project Area

ADOPTION: IT WAS MOVED BY MR. ROMERO, SECONDED BY MS. PALAMOUNTAIN, AND UNANIMOUSLY CARRIED THAT CONSENT AGENDA ITEMS 4 (a) APPROVAL OF MINUTES: MEETING OF AUGUST 28, 2001; 4 (c) RESOLUTION NO. 162-2001, AUTHORIZING A FIRST SUPPLEMENTAL TRUST INDENTURE WITH BNY WESTERN TRUST COMPANY, A STATE BANKING CORPORATION, AS TRUSTEE RELATING TO THE AGENCY'S \$26,070,000 MULTIFAMILY HOUSING REVENUE BONDS (GNMA COLLATERALIZED-1045 MISSION APARTMENTS), SERIES 1998 C AND \$3,930,000 MULTIFAMILY HOUSING REVENUE BONDS (GNMA COLLATERALIZED-1045 MISSION APARTMENTS), TAXABLE SERIES 1998D FOR THE AFFORDABLE HOUSING PROJECT LOCATED AT 1045 MISSION STREET; SOUTH OF MARKET EARTHQUAKE RECOVERY PROJECT AREA; AND 4 (d) RESOLUTION NO. 163-2001, AUTHORIZING A SECOND AMENDMENT TO THE DISPOSITION AND DEVELOPMENT AGREEMENT WITH SITE X DEVELOPMENT ASSOCIATES, LLC, A CALIFORNIA LIMITED LIABILITY COMPANY, TO EXTEND THE SCHEDULE OF PERFORMANCE AND AMEND THE SCOPE OF DEVELOPMENT TO REVISE THE UNIT MIX OF FIRST TIME HOMEBUYER AFFORDABLE UNITS AT SITE X LOCATED ON KEITH STREET NEAR HUDSON AVENUE; HUNTERS POINT REDEVELOPMENT PROJECT AREA, BE ADOPTED.

REGULAR AGENDA

- 4 (e)** Resolution No. 164-2001, Authorizing a First Modification to the Construction Contract with Bauman Landscape, Inc., a California corporation, in an amount not to exceed \$619,012 for a new contract sum of \$4,123,966, and for an extension of the completion date of 125 calendar days for additional improvements to the Fillmore Streetscape Project; Western Addition Redevelopment Project Area A-2

Presenters: Shirley Wysinger, Ted Maniatis (Agency Staff)

Commissioner Foriest Settles inquired about the long-term maintenance of the street improvements and asked who would be responsible for their maintenance. Ms. Foriest Settles also asked about the contractor's work force, specifically the percentage of its female employees.

President Yee asked if staff contacted outside contractors for the proposed contract modification. Mr. Yee inquired about the four-month time extension and if this time was adequate to complete the project.

ADOPTION: IT WAS MOVED BY MR. ROMERO, SECONDED BY MS. FORIEST SETTLES, AND UNANIMOUSLY CARRIED THAT ITEM 4 (e) RESOLUTION NO. 164-2001, AUTHORIZING A FIRST MODIFICATION TO THE CONSTRUCTION CONTRACT WITH BAUMAN LANDSCAPE, INC., A CALIFORNIA CORPORATION, IN AN AMOUNT NOT TO EXCEED \$619,012 FOR A NEW CONTRACT SUM OF \$4,123,966, AND FOR AN EXTENSION OF THE COMPLETION DATE OF 125 CALENDAR DAYS FOR ADDITIONAL IMPROVEMENTS TO THE FILLMORE STREETScape PROJECT; WESTERN ADDITION REDEVELOPMENT PROJECT AREA A-2, BE ADOPTED.

- 4 (f)** Resolution No. 165-2001, Authorizing a Personal Services Contract with Archeo-Tec Inc., a California corporation, in an amount not to exceed \$64,620.00 to provide Archeological Consulting Services for Parcel 2 of Block N2, an Agency Affordable Housing Project; Mission Bay North Redevelopment Project Area

Presenters: Tiffany Bohee (Agency Staff), Alan Pastron (Archeo-Tec)

President Yee acknowledged Phil Choy (Chinese History Consultant to Archeo-Tec).

Commissioner Dunlop stated that this is important work and puts forth a motion to adopt the item and asked if this archaeological work will cause delay to the completion of the housing project.

Commissioner Singh asked what other archaeological resources were found in addition to the 15,000 buttons. Mr. Singh asked who has ownership of the artifacts that are discovered and where would the artifacts be stored or displayed. Mr. Singh asked if there is any existing facility in the City that could house the artifacts.

Commissioner Palamountain thanked staff and the consultant for their thorough presentation and also for a site tour she attended. Ms. Palamountain stated that this archaeological research is a very important social goal that chronicles the contributions of Chinese-Americans. Ms. Palamountain thanked Mission Housing and its staff for accommodating the archaeological research and stated her support for the consultant contract.

Commissioner Foriest Settles stated that this is very important work and that she learned a lot from the presentation. Ms. Foriest Settles asked where the artifacts (that were discovered) would be stored until all the work is completed.

President Yee commented that it is good for San Francisco to recognize the Chinese for the laundry business.

ADOPTION: IT WAS MOVED BY MR. DUNLOP, SECONDED BY MR. SINGH, AND UNANIMOUSLY CARRIED THAT ITEM 4 (f) RESOLUTION NO. 165-2001, AUTHORIZING A PERSONAL SERVICES CONTRACT WITH ARCHEO-TEC INC., A CALIFORNIA CORPORATION, IN AN AMOUNT NOT TO EXCEED \$64,620.00 TO PROVIDE ARCHEOLOGICAL CONSULTING SERVICES FOR PARCEL 2 OF BLOCK N2, AN AGENCY AFFORDABLE HOUSING PROJECT; MISSION BAY NORTH REDEVELOPMENT PROJECT AREA, BE ADOPTED.

- 4 (g) Workshop on the Central Freeway Replacement Project and Central Freeway Housing Plan and on the potential acquisition of former Central Freeway parcels for development of affordable housing; Western Addition A-2 Redevelopment Project Area

Presenters: Kate Hartley (Agency Staff)

Speakers: George R. Williams, Pam Dannenberg

Commissioner Dunlop stated that he was glad to see the project moving steadily and in the context of national tragedy, it is best to focus on helping our fellow citizens to help in the healing process and to move forward. Mr. Dunlop commended staff for looking at developing senior housing and asked specifically about reaching homeless seniors. Mr. Dunlop inquired about special needs housing such as for people with HIV/AIDS, pointing out that as an appointee to the Mayor's AIDS Council, there is always a lack of funding for such special needs housing. Mr. Dunlop shared that 20 percent of the homeless population are inflicted with HIV/AIDS and urged staff to look at this specific need in San Francisco. Mr. Dunlop asked if there would be priority to certificate holders. Mr. Dunlop referring to last week's tragic events, expressed his heartfelt thanks to Agency staff working through a difficult time.

Commissioner Palamountain remarked that this was one time she wished that the Commission meetings are televised so that the public can see the aerial map depicting the Central Freeway and Octavia Boulevard parcels slated for the development of affordable housing. Ms. Palamountain shared her enthusiasm about moving through the development stages and look forward to the completion of the first two parcels for senior housing. Ms. Palamountain expressed her thanks to the fabulous housing staff and commended them for being dedicated professionals.

President Yee expressed his eagerness about the proposed senior housing development and asked about the time frame for the development process. Mr. Yee requested staff to keep the Commission informed about the progress, in particular the issuance of the Request for Proposals (RFP) and to bring the RFP to the Commission for its review and consideration.

Commissioner Singh asked for the amount of the bonds to be issued for Parcel A and C. Mr. Singh shared his concern about the Rincon Center development where the rents were increased following retirement of the bonds and urged staff to ensure that this does not happen with the Central Freeway parcels. Mr. Singh asked for an estimate of the lease terms for the proposed housing.

REPORT OF THE PRESIDENT

Thanked the Agency Secretary for the American flag pins given to all the Commissioners. Mr. Yee thanked the Agency Secretary for his generosity and thoughtfulness.

REPORT OF THE EXECUTIVE DIRECTOR

- Wished Commissioner Leroy King a belated Happy 78th Birthday.
- Announced that the Commission Meeting of September 25th will start at the regular time of 4:00 p.m., explaining that the public were notified earlier that the September 25th meeting was going to start earlier at 3:00 p.m. and that this is no longer the case.
- Announced a community meeting regarding the Bayview Hunters Point Revitalization Concept Plan for Saturday, September 22nd from 9:00 a.m. to 1:00 p.m. at the Earl P. Mills Community Center.
- Announced a community meeting regarding the African-American Museum for Thursday, September 20th from 5:00 to 8:00 p.m. at the West Bay Conference Center.
- The Mexican Museum groundbreaking that was scheduled for September 14th was cancelled and will be rescheduled within the next 30 days.
- The State Legislature passed the CALTRANS Bill relating to the Transbay redevelopment effort which would allow the transfer of State-owned land to the Agency and the Bill is at the Governor's desk awaiting his signature.

COMMISSIONERS' QUESTIONS AND MATTERS

- Commissioner Foriest Settles announced a BART sponsored Job Fair scheduled for the October and November throughout the Bay Area including two in San Francisco. Ms. Foriest Settles provided the toll-free hotline telephone number for the public listening to the Commission meeting radio broadcast and also announced that the Job Fair to be held in San Francisco's Bayview community will be on October 10th from 9:00 a.m. to 3:00 p.m. Ms. Foriest Settles advised the Agency Secretary that she will send a detailed flyer about the Job Fair and requested that they be mailed to the Bayview community.
- Commissioner Palamountain shared a recent State Supreme Court decision affecting tenants rights to organize and requested the Agency General Counsel to look at Agency policies and to keep the Commission informed.

- Commissioner King informed the Commission of Mary Rogers son's passing and that the funeral was held earlier in the day, that Shirley Wysinger was in attendance. Mr. King suggested that the Commission meeting be adjourned in memory of Major John Leonard Cary (Mary Rogers' departed son).

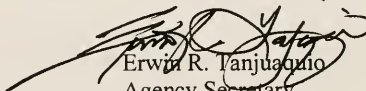
CLOSED SESSION

- (a) Pursuant to Government Code §54956.8 to instruct the Agency's real property negotiators with respect to price and terms of payment. The property is the Henry Hotel located at 106-112 Sixth Street, Assessor Block No. 3726, Lot 002; South of Market Earthquake Recovery Redevelopment Project Area and the owner of the property with whom the Agency may negotiate with is Brandt Nicholson & Nick Patel. Agency negotiators: Olson Lee, Bill Carney, Sean Spear and Vanessa Dandridge.
- (b) Pursuant to Government Code §54956.9(b), Conference with Legal Counsel regarding anticipated litigation: One potential case
- (c) Pursuant to Government Code §54957.6 to instruct the Agency's designated representatives to negotiate with the International Federation of professional and Technical Engineers Local 21 (IFPTE Local 21). Agency designated representatives: Marcia Rosen, Ayisha Benham, Ora Williams and Chris Iglesias.
- (d) Pursuant to government Code §54957.6 to instruct the Agency's designated representatives to negotiate with the San Francisco Redevelopment Employees Association-Professional/ Technical Unit. Agency designated representatives: Marcia Rosen, Ayisha Benham, and Ora Williams

ADJOURNMENT

It was moved by Ms. Foriest Settles, seconded by Mr. Singh, and unanimously carried that the meeting be adjourned. The meeting adjourned at 7:00 p.m.

Respectfully submitted,



Erwin R. Tanjuaquio
Agency Secretary

APPROVED:

September 25, 2001

MINUTES OF A REGULAR MEETING OF THE
REDEVELOPMENT AGENCY OF THE CITY AND
COUNTY OF SAN FRANCISCO HELD ON THE
25TH DAY OF SEPTEMBER 2001

The Commissioners of the Redevelopment Agency of the City and County of San Francisco met in a regular meeting at City Hall, 1 Dr. Carlton B. Goodlett Place, Room 416, in the City of San Francisco, California, at 4:00p.m. on the 25th day of September 2001, at the place and date duly established for holding of such a meeting.

The President called the meeting to order and on roll call the following answered present:

Leroy King, Vice President
Mark Dunlop
Kathryn C. Palamountain
Ramon E. Romero
Michal Foriest Settles
Darshan Singh

and the following were absent:

Benny Y. Yee, President

DOCUMENTS DEPT.

The Acting President Leroy King declared that a quorum was present.

SEP 13 2007

Marcia Rosen, Executive Director, and staff members were also present.

SAN FRANCISCO
PUBLIC LIBRARY

The Commission met in a Special Meeting as the Housing Committee of the Affordable Housing and Home Ownership Bond Program before commencing the Regular Meeting Agenda. The Housing Committee meeting was called to order at 4:00 p.m. and adjourned at 4:35 p.m.

MATTERS OF NEW BUSINESS

CONSENT AGENDA

4 (a) Approval of Minutes: Meeting of September 18, 2001

Item 4 (b) below was removed from the Consent Agenda at the request of Commissioner Foriest Settles, and was considered as a separate item.

4 (b) Resolution No. 166-2001, Authorizing a Second Amendment to the Pre-Development Grant Agreement with Manchester Bidwell Corporation, a Pennsylvania non-profit corporation, to extend the term to December 30, 2001, for Pre-Development work in furtherance of the Bayview Hunters Point Center for Arts and Technology project (BAYCAT); Hunters Point Shipyard Redevelopment Project Area and Bayview Hunters Point Survey Area

- 4 (c) Resolution No. 167-2001, Authorizing travel expenses for Helen Sause, Deputy Executive Director, Program and Project Management to attend the ULI (Urban Land Institute) Awards for Excellence Ceremony on October 4, 2001 and the NAHRO 2001 National Conference and Exhibition on October 5-9, 2001, at a cost not to exceed \$1,975.00

ADOPTION: IT WAS MOVED BY MR. DUNLOP, SECONDED BY MR. SINGH, AND UNANIMOUSLY CARRIED (MR. YEE ABSENT) THAT CONSENT AGENDA ITEMS 4 (a) APPROVAL OF MINUTES: MEETING OF SEPTEMBER 18, 2001; AND 4 (c) RESOLUTION NO. 167-2001, AUTHORIZING TRAVEL EXPENSES FOR HELEN SAUSE, DEPUTY EXECUTIVE DIRECTOR, PROGRAM AND PROJECT MANAGEMENT TO ATTEND THE ULI (URBAN LAND INSTITUTE) AWARDS FOR EXCELLENCE CEREMONY ON OCTOBER 4, 2001 AND THE NAHRO 2001 NATIONAL CONFERENCE AND EXHIBITION ON OCTOBER 5-9, 2001, AT A COST NOT TO EXCEED \$1,975.00, BE ADOPTED.

Following adoption of Consent Agenda Items 4 (a) and (c), the Commission considered Item 4 (b).

- 4 (b) Resolution No. 166-2001, Authorizing a Second Amendment to the Pre-Development Grant Agreement with Manchester Bidwell Corporation, a Pennsylvania non-profit corporation, to extend the term to December 30, 2001, for Pre-Development work in furtherance of the Bayview Hunters Point Center for Arts and Technology project (BAYCAT); Hunters Point Shipyard Redevelopment Project Area and Bayview Hunters Point Survey Area

Commissioner Foriest Settles commented that she was glad to see the Executive Director of BAYCAT, Lynette Sweet in attendance. Ms. Foriest Settles asked what the reason was for the delay and how much of the Geotechnical work has been completed as well as what the remaining funds were in the contract.

Don Capobres Project Manager for the Hunters Point Shipyard, informed the Commission that Manchester Bidwell required access from the Navy to conduct Geotechnical investigation as part of its pre-development activities and that such investigation is approximately 90 percent complete and that \$100,000 still remains in the contract.

ADOPTION: IT WAS MOVED BY MR. SINGH, SECONDED BY MS. FOREST SETTLES, AND UNANIMOUSLY CARRIED (MR. YEE ABSENT) THAT ITEM 4 (b) RESOLUTION NO. 166-2001, AUTHORIZING A SECOND AMENDMENT TO THE PRE-DEVELOPMENT GRANT AGREEMENT WITH MANCHESTER BIDWELL CORPORATION, A PENNSYLVANIA NON-PROFIT CORPORATION, TO EXTEND THE TERM TO DECEMBER 30, 2001, FOR PRE-DEVELOPMENT WORK IN FURTHERANCE OF THE BAYVIEW HUNTERS POINT CENTER FOR ARTS AND TECHNOLOGY PROJECT (BAYCAT); HUNTERS POINT SHIPYARD REDEVELOPMENT PROJECT AREA AND BAYVIEW HUNTERS POINT SURVEY AREA, BE ADOPTED.

REGULAR AGENDA

- 4 (d) Resolution No. 168-2001, Adopting the Minimum Compensation Policy and the Health Care Accountability Policy requiring Agency contractors and developers to provide a minimum level of compensation and benefits to their employees and to provide for health care benefits to their employees

Presenters: Ayisha Benham/Christopher Iglesias/Heidi Gewertz (Agency Staff)

Speakers: Karl Kramer (SF Living Wage Coalition)

Commissioner Dunlop puts forth a motion to adopt the item and concurred with Mr. Kramer's comments regarding meeting the City's standards, suggesting that they should be exceeded when possible. Mr. Dunlop agreed that it is good to have a "hardship" clause in the policy. Mr. Dunlop asked if staff has researched the current DDAs for compliance.

Executive Director Rosen explained that such a review of DDAs has been conducted and the new compensation policy would apply to DDAs proposed to be amended.

Commissioner Romero stated his support for the proposed policy and commented that such a policy is not a burden to anyone, in fact it addresses the issue of compensation of workers who are not represented by labor unions. Mr. Romero shared a newspaper article regarding security officers at the airport whose wages are barely above the minimum wage resulting in a high rate of turnover of very important jobs, particularly in light of the national tragedy. Mr. Romero remarked that such a policy would be very good for the entire economy.

Commissioner Palamountain stated her support for the proposed policy and commented that this policy promotes the national policy of moving people from welfare to work while providing the necessary health insurance.

Acting President King thanked the Executive Director and staff for bringing the matter before the Commission and remarked that this is good policy in furthering the mission of the Agency.

ADOPTION: IT WAS MOVED BY MR. DUNLOP, SECONDED BY MR. ROMERO, AND UNANIMOUSLY CARRIED (MR. YEE ABSENT) THAT ITEM 4 (d) RESOLUTION NO. 168-2001, ADOPTING THE MINIMUM COMPENSATION POLICY AND THE HEALTH CARE ACCOUNTABILITY POLICY REQUIRING AGENCY CONTRACTORS AND DEVELOPERS TO PROVIDE A MINIMUM LEVEL OF COMPENSATION AND BENEFITS TO THEIR EMPLOYEES AND TO PROVIDE FOR HEALTH CARE BENEFITS TO THEIR EMPLOYEES, BE ADOPTED.

- 4 (e) Workshop on the proposed Request for Proposals for the Redevelopment of Parcel 732-A; located at the northwest corner of Fillmore and Eddy Streets; Western Addition A-2 Redevelopment Project Area

Presenters: Ricky Tijani (Agency Staff), David Shiver (Bay Area Economics)

Speakers: Todd Clayter, Mary Helen Rogers, Victor Marquez, Wade Woods, Carmen Johnson, Agonafer Shiferaw, Essie Collins

Commissioner Romero eluded to the public's comments that the Agency had only two years to complete this project and asked if this was true, what time line the Agency was looking at and what deadline was the Agency under, if any.

Acting President King interjected and stated that what the public was referring to was the Agency's commitment to complete the development of Parcel 732-A within a two-year period and that this was one of the Mayor's priorities.

Executive Director Rosen stated that what she thought the public was referring to was the deadline of incurring debt in Western Addition which occurs in 2004, explaining that the redevelopment plan does terminate in 2009. Ms. Rosen addressed Mr. King's comments and stated that staff is aware of the Commission's commitment and goal to complete the development process, in particular the RFP process in the most reasonably expeditious manner, pointing out however that the Commission also directed staff to conduct a very involved and thorough community process to insure input and participation from the Western Addition community and the general public. Ms. Rosen explained that it takes time to analyze the public's input and to test it against the market, including conducting appraisals, but now that the basic information is available, staff is prepared to move forward with the Commission's directions.

Commissioner Romero commented that while he has only been involved in the process for a few years, he realizes that with all of the delays that have occurred the Agency and the community have worked themselves into a situation of uncertain economic environment as it relates to Parcel 732-A. Mr. Romero acknowledged and hoped that San Francisco's economy is strong enough to withstand the impending economic downturn and that this property with the assistance of the Agency will be developed with uses that serves the community and the City. Mr. Romero stressed the importance of having flexibility both from the community, the developers, the Agency and the City. Mr. Romero remarked that it is critical to select a qualified developer, one who has the experience and financial capacity to develop the property that incorporates the public's input and staff's feedback. Mr. Romero pointed out that the more requirements imposed upon the developer, the more difficult it is to accomplish. Mr. Romero expressed his appreciation for the time and effort from the public and staff.

Commissioner Foriest Settles thanked the public for attending the community meetings and the Commission meeting, acknowledging the tremendous amount of work that went into the workshop. Ms. Foriest Settles requested that copies of the presentation slides be provided to the Commission. Ms. Foriest Settles stated that she was unclear as to that the Agency can do in terms of its participation in the development and the legal framework upon which the Agency can facilitate the development or any limitations. Ms. Foriest Settles acknowledged the frustration from the community, particularly the delays in the process, stating that she understood staff's timeline but asked if there is any way of streamlining the schedule, commenting that two years is simply too long a time for a community who has waited so many years.

Commissioner Dunlop thanked staff for its hard work as well as the community members who participated in the community meetings leading up to the Commission workshop. Mr. Dunlop asked when the RFP is scheduled to be issued and asked for the total number of attendees at the four community meetings held about Parcel 732-A. Mr. Dunlop expressed his appreciation to the public testimony, specifically Todd Clayter's suggestion of assigning one specific staff person to lead the effort, Victor Marquez's recommendation that the selected developer comply with the City's First-Source Hiring requirements to insure that community folks are considered for employment. Mr. Dunlop agreed with the idea of creating daytime foot traffic, sharing that he is a neighbor to the area and frequents the neighborhood and believes in the importance of pedestrian traffic to help keep small businesses viable and thriving in the community. Mr. Dunlop stated that although he has personal opinions about this project, they do not really matter because it is the community's feelings and input that is important and that this is a community-driven process that will enhance community benefits. Mr. Dunlop remarked that he is looking forward to the issuance of the RFP and hearing from the development community.

Commissioner Palamountain reiterated the Commission's sentiment that the development of Parcel 732-A is indeed a priority for the Agency to infuse economic health in the community. Ms. Palamountain shared that in contrast to other projects that she is interested in particularly low-income housing, she sees this project as an economic development opportunity and will view the RFP and proposals from developers as to whether or not they contribute to the economic health specifically of Western Addition. Ms. Palamountain thanked Ricky Tijani and Shirley Wysinger for a very thorough presentation. Ms. Palamountain expressed the following concerns: First the issue of foot traffic in particular, during the daytime, agreeing with Wade Woods' comments that the residential development in and around this area has not produced the necessary foot traffic to sustain the small businesses in the neighborhood. Ms. Palamountain pointed out that the viability of the anchor tenant (on Parcel 732-A) is essential only in so far as it supports the viability of the small local area businesses in the area, such as Mr. Woods and Mr. Shiferaw. Second, the issue of speed in the process, where Ms. Palamountain urged staff to create a pointed and specific time frame in the RFP explaining in detail the importance of completing the project within a specific and reasonable time period. Ms. Palamountain pointed out that this has been the reason for the delays and frustration and it is essential to make it clear on the RFP that a timely completion of the project is very important. Ms. Palamountain expressed her support to providing incentives in the RFP to encourage timely completion and the retraction of such incentives if deadlines are not met. Ms. Palamountain agreed with Mr. Clayter's suggestion that the Agency look at the issue of subsidies as a critical element of this project. Ms. Palamountain also agreed with Ms. Essie Collins' comments that the current RFP before the Commission looks a lot like the one we terminated with Chuck Collins, pointing out that a theater complex is still part of the RFP when our own economic consultant Bay Area Economics, has opined that the theater industry is down and that it would require public subsidies to sustain theater operations. Ms. Palamountain reminded the public that the Commission heartily supported the idea of inviting Chuck Collins to submit a proposal under the new RFP. Ms. Palamountain expressed her concern that the RFP includes a housing component when as mentioned earlier, the necessary foot traffic has not been realized with residential development and that the focus of the RFP should be to create an economic development project that would help sustain and invest in the local small businesses in the area. Ms. Palamountain requested Executive Director Rosen for an analysis of the Agency's capacity to invest in the Western Addition in particular economic development, detailing what other projects would be sacrificed if the Agency invests in the development of Parcel 732-A. Ms. Palamountain asked staff to look into the suggestion of making investments into small businesses in the area and not just to the anchor development. Ms. Palamountain commented that the Agency identify the public subsidy up front, providing a ceiling amount which is not subject to negotiations or modifications and to make this very clear to the selected developer.

Commissioner Singh suggested that staff work diligently to find a reliable developer to complete the project. Mr. Singh asked where the \$9 million land cost figure came from.

Acting President King stated that staff has done a good job with obtaining the necessary public input, but does not agree with the proposed schedule, stating that the developer selection process must move faster. Mr. King stated that there should be no subsidies provided to the selected developer and to assign one staff person to the project. Mr. King remarked that this is the last available parcel in Western Addition and that it is the priority of the Agency to develop this property. Mr. King acknowledged that the good recommendations from the consultant, that economic development should be the top priority and housing secondary, pointing out the importance of bring foot traffic both at day and nighttime to liven up the neighborhood.

Executive Director Rosen provided responses to all of the Commissioners' questions.

PERSONS WISHING TO ADDRESS THE MEMBERS ON NON-AGENDA, BUT AGENCY RELATED MATTERS

- Howard Wexler (requested the Commission to re-schedule the matters regarding the Whole Foods lease and DDA Amendment with Armax from the October 2nd meeting to October 9th, citing that there is not a full Commission present on October 2nd.)

REPORT OF THE EXECUTIVE DIRECTOR

- Reported on AB1419 legislation regarding the Transbay Redevelopment Survey Area, that the bill was passed by the Senate and awaiting signature by the Governor.
- Announced the South of Market community-wide meeting on the Redevelopment Plan Amendment on September 26th from 6:00 to 9:00 p.m. at the South of Market Recreation Center.
- Tax Credit allocation for Marlton Manor of \$10.5 million and the Alexander Residence of \$13.4 million.
- Announced a Board of Supervisors Finance Committee hearing regarding the Central Freeway and Octavia Boulevard parcels on October 3rd.
- Board of Supervisors Rules Committee hearing on Parcel 732-A on October 4th.

- Four Seasons Grand Opening Luncheon on October 11th.
- African-American Museum Stakeholders meetings scheduled for November 8th and December 19th from 5:00 to 8:00 p.m. at the West Bay Conference Center.
- Informed Commissioners of a Real Estate Workshop sponsored by SPUR and ULI on October 12th.

COMMISSIONERS' QUESTIONS AND MATTERS

- Commissioner Foriest Settles reported a disclosure contact form Howard Wexler regarding Armax and Whole Foods. Ms. Foriest Settles shared her concern about rescheduling items for Commissioners' absences and pointed out that although she was going to be absent on October 2nd she did in fact support the idea of moving ahead with the matters without her presence. Ms. Foriest Settles reiterated her earlier request for the presentation slides on Parcel 732-A. Ms. Foriest Settles announced the scheduled BART Career Expo and provided flyers to the Executive Director for distribution. Ms. Foriest Settles submitted letters she received from the public to the Agency Secretary.
- Commissioner Romero asked the Executive Director if there were any concern with delaying the Armax matters for one week. Mr. Romero stated his support for rescheduling the matters for October 9th and puts forth a motion to do so.
- Commissioner Dunlop agreed with Commissioner Foriest Settles' comments about moving forward with agenda items with Commissioners being absent and supported the rescheduling of the Armax matters to October 9th and seconds Mr. Romero's motion.
- Commissioner Singh remarked that as long as he has been a Commissioner of over 14 years, he has never heard of a developer requesting a delay on matters before the Commission, stating that the Agency must move forward.
- Acting President King referred to the Agency's by-laws where it states that as long as a majority of the Commission is present, the Commission can take action on matters. Mr. King stated his opposition to the rescheduling to October 9th and pointed out that the Commission has decided to calendar the matters at its October 2nd meeting. Mr. King also stated that the Commission has never continued items at the request of developers.

- Commissioner Romero requested a transcript of Mr. King's comments with regard to continuance of items.
- Commissioner Foriest Settles asked what if any, the consequences of the one-week delay.

MOTION: IT WAS MOVED BY MR. ROMERO, SECONDED BY MR. DUNLOP, THAT THE MATTERS RELATING TO THE WHOLE FOODS LEASE AND THE ARMAX DDA AMENDMENT BE RESCHEDULED FROM OCTOBER 2ND TO THE OCTOBER 9TH COMMISSION MEETING, AND ON ROLL CALL, THE FOLLOWING VOTED "AYE":

Mr. Dunlop
Ms. Palamountain
Mr. Romero
Ms. Foriest Settles

AND THE FOLLOWING VOTED "NAY":

Mr. Singh
Mr. King

AND THE FOLLOWING WERE ABSENT:

Mr. Yee

THE SECRETARY DECLARED THE RESULTS OF THE ROLL CALL VOTE, FOUR (4) AYES, AND TWO (2) NOES.

THE SECRETARY THEREUPON DECLARED THAT THE MOTION CARRIED.

CLOSED SESSION

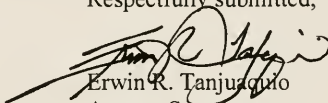
- (a) Pursuant to Government Code §54956.8, to instruct the Agency's real property negotiators with respect to the price and terms of sale of a condominium interest on Agency Parcel Block N3a/Parcel 1, Mission Bay North Redevelopment Project Area. The interested party with whom the Agency may negotiate is the City and County of San Francisco Public Library. Agency negotiators: Marcia Rosen, Amy Neches, Matt Schwartz and Pam Sims.

- (b) Pursuant to Government Code §54956.9(a): Conference with Legal Counsel regarding existing litigation: Redevelopment Agency of the City and County of San Francisco v. Arnold S. Gridley, San Francisco Superior Court Case No.190571
- (c) Pursuant to Government Code §54957.6 to instruct the Agency's designated representatives to negotiate with unrepresented employees: Executive Assistants, Deputy Executive Director, Program and Project Management; Deputy Executive Director, Finance and Administration; Agency General Counsel; and Human Resources Manager. Agency designated representative: Marcia Rosen

ADJOURNMENT

It was moved by Mr. Romero, seconded by Mr. Singh, and unanimously carried that the meeting be adjourned. The meeting adjourned at 8:56 p.m.

Respectfully submitted,



Erwin R. Tanjuaquillo
Agency Secretary

APPROVED:

October 2, 2001

MINUTES OF A REGULAR MEETING OF THE
REDEVELOPMENT AGENCY OF THE CITY AND
COUNTY OF SAN FRANCISCO HELD ON THE
2ND DAY OF OCTOBER 2001

The Commissioners of the Redevelopment Agency of the City and County of San Francisco met in a regular meeting at City Hall, 1 Dr. Carlton B. Goodlett Place, Room 416, in the City of San Francisco, California, at 4:00p.m. on the 2nd day of October 2001, at the place and date duly established for holding of such a meeting.

The President called the meeting to order and on roll call the following answered present:

Benny Y. Yee, President
Leroy King, Vice President
Mark Dunlop
Kathryn C. Palamountain
Ramon E. Romero
Darshan Singh (arrives @ 4:08 p.m.)

DOCUMENTS DEPT.

and the following were absent:

SEP 13 2007

Michal Foriest Settles

SAN FRANCISCO
PUBLIC LIBRARY

The President declared that a quorum was present.

- President Yee announced the ground rules for the Commission meeting before the Commission considered the Agenda. President Yee informed the public that there is no talking while the meeting is in progress, that cell phones and pagers should be turned off, and all matters should be addressed through the Chair.

Marcia Rosen, Executive Director, and staff members were also present.

REPORT ON ACTIONS TAKEN AT PREVIOUS CLOSED SESSION MEETING, IF ANY

- Executive Director Rosen reported on actions taken at the September 25th Closed Session meeting, as follows: By a vote of 6 to 0, the Commission approved the settlement of the Redevelopment Agency of the City and County of San Francisco v. Arnold S. Gridley, San Francisco Superior Court Case No.190571 litigation. Ms. Rosen reported that the Agency sued Mr. Gridley for unlawful detainer because his boat, which is moored at the South Beach Harbor, was inoperable and unseaworthy in violation of the harbor license. Ms. Rosen explained that in the stipulated judgement of possession, Mr. Gridley agreed to remove his boat within 45 days in order to repair the boat to make it operable and seaworthy, he will pay all back rent and the Agency's attorneys' fees, he will continue to pay rent on the boat slip and once repaired, the boat may be returned to the harbor provided that he provides \$300,000 of liability insurance

and the judgement will be stayed so long as Mr. Gridley complies with the terms of the settlement.

MATTERS OF NEW BUSINESS

CONSENT AGENDA

4 (a) Approval of Minutes: Meeting of September 25, 2001

4 (b) Resolution No. 169-2001, Authorizing a First Amendment to the Personal Services Contract with McCoy's Patrol Service to extend the contract term for one year and to increase the total compensation in an amount not to exceed \$60,000 for an aggregate contract amount of \$190,000 for Security Guard Services at South Beach Harbor

Item 4 (c) below was removed from the Consent Agenda at the request of President Yee, and was considered as a separate item.

4 (c) Resolution No. 170-2001, Authorizing a Fourth Amendment to the HOPWA Capital Loan Agreement with Tenderloin Neighborhood Development Corporation, a California nonprofit public benefit corporation, to modify the schedule of performance by extending the time to commence the rehabilitation of the Ambassador Hotel located at 55 Mason Street

4 (d) Resolution No. 171-2001, Authorizing Travel Expenses for Olson Lee, Housing Program Manager to attend the National Association of Local finance Housing Agencies Fall Educational Conference in Baltimore, MD on October 18-20, 2001 at a cost not to exceed \$1,782.00

Speakers: Mary Helen Rogers

ADOPTION: IT WAS MOVED BY MR. KING, SECONDED BY MR. DUNLOP, AND UNANIMOUSLY CARRIED (MS. FORIEST SETTLES ABSENT) THAT CONSENT AGENDA ITEMS 4 (a) APPROVAL OF MINUTES: MEETING OF SEPTEMBER 25, 2001; AND 4 (b) RESOLUTION NO. 169-2001, AUTHORIZING A FIRST AMENDMENT TO THE PERSONAL SERVICES CONTRACT WITH MCCOY'S PATROL SERVICE TO EXTEND THE CONTRACT TERM FOR ONE YEAR AND TO INCREASE THE TOTAL COMPENSATION IN AN AMOUNT NOT TO EXCEED \$60,000 FOR AN AGGREGATE CONTRACT AMOUNT OF \$190,000 FOR SECURITY GUARD SERVICES AT SOUTH BEACH HARBOR, AND 4 (d) RESOLUTION NO. 171-2001, AUTHORIZING TRAVEL EXPENSES FOR OLSON LEE, HOUSING PROGRAM MANAGER TO ATTEND THE NATIONAL ASSOCIATION OF LOCAL FINANCE HOUSING AGENCIES FALL EDUCATIONAL CONFERENCE

IN BALTIMORE, MD ON OCTOBER 18-20, 2001 AT A COST NOT TO EXCEED \$1,782.00, BE ADOPTED.

Following adoption of Consent Agenda Items 4 (a), (b) and (d), the Commission considered Item 4 (c).

- 4 (c) Resolution No. 170-2001, Authorizing a Fourth Amendment to the HOPWA Capital Loan Agreement with Tenderloin Neighborhood Development Corporation, a California nonprofit public benefit corporation, to modify the schedule of performance by extending the time to commence the rehabilitation of the Ambassador Hotel located at 55 Mason Street

Presenters: Olson Lee/Pam Sims (Agency staff)

President Yee stated that this item is a multi-million dollar development and should not have been placed on the Consent Agenda.

Commissioner Dunlop asked if the developer would be allowed to speak and address the Commission on a very important project. Mr. Dunlop commented that this project benefits low-income tenants and if the developer desires to speak, they should be allowed to do so.

Commissioner Romero stated that he had no problem with the matter being placed on the Consent Agenda and did not see any reason to remove it from the Consent Agenda.

Executive Director Rosen explained that at the previous Agenda setting meeting with Acting President Leroy King when President Yee was out of town, the Agenda was reviewed and approved by Mr. King.

Commissioner King stated his support for the item and remarked that the Executive Director is correct and using his authority as Acting President, he and the Executive Director determined the matter should be placed on the Consent Agenda. Mr. King cautioned the Commission to not criticize fellow Commissioners.

Commissioner Singh stated his support for the item.

Commissioner Palamountain reminded the Commission that there is a danger of losing affordable units in the Tenderloin and stated her support for this important project. Ms. Palamountain commented that the delays as explained by staff are justified and that the money is not coming from the City's taxpayers. Ms. Palamountain remarked that the Tenderloin is one of the most neglected neighborhoods in the City and TNDC is a recipient of the San Francisco Beautiful award and congratulations are in order.

President Yee explained that he was not opposed to the staff recommendation, but pointed out that the matter should not have been placed on the Consent Agenda because the project is not a small deal, involving millions of dollars. Mr. Yee cautioned staff on future similar items to not place them on the Consent Agenda.

ADOPTION: IT WAS MOVED BY MR. DUNLOP, SECONDED BY MR. SINGH, AND UNANIMOUSLY CARRIED (MS. FORIEST SETTLES ABSENT) THAT ITEM 4 (c) RESOLUTION NO. 170-2001, AUTHORIZING A FOURTH AMENDMENT TO THE HOPWA CAPITAL LOAN AGREEMENT WITH TENDERLOIN NEIGHBORHOOD DEVELOPMENT CORPORATION, A CALIFORNIA NONPROFIT PUBLIC BENEFIT CORPORATION, TO MODIFY THE SCHEDULE OF PERFORMANCE BY EXTENDING THE TIME TO COMMENCE THE REHABILITATION OF THE AMBASSADOR HOTEL LOCATED AT 55 MASON STREET, BE ADOPTED.

REGULAR AGENDA

- 4 (e) Resolution No. 172-2001, Commending and Expressing Appreciation to Aaron Krasnow for many years of dedicated service upon his departure from the Redevelopment Agency of the City and County of San Francisco

Presenters: Olson Lee (Agency staff)

Aaron Krasnow addressed the Commission and thanked them for the opportunity to have contributed to the Agency's housing program. Mr. Krasnow informed the Commission that he and his family are relocating to Denver Colorado and will work for Mercy Charities on affordable housing development in Denver. Mr. Krasnow thanked the Commission and staff for the Resolution.

President Yee, before commencing with Commissioners' deliberations, cited Robert's Rules of Order regarding Commissioners' conduct during debate, specifically time limitations and frequency of members' statements. Mr. Yee asked that the Agency Secretary be the official timekeeper of Commissioners' statements during debate, indicating a ten-minute time limitation.

Commissioner Romero wished Mr. Krasnow the best of luck and thanked him for his services to the Agency. Mr. Romero stated that it is remarkable for a young man to consciously choose a career in affordable housing development and that this is highly commendable. Mr. Romero shared that he spent time as a youth in Denver and advised Mr. Krasnow that he will like living and working in Denver.

Commissioner Singh thanked Mr. Krasnow for his good work, wishing him luck in Denver and informed Mr. Krasnow that if he ever changed his mind and want to come back to the Agency that he would support him wholeheartedly. Mr. Singh puts forth a motion to adopt the item. Commissioner Palamountain thanked Mr. Krasnow and acknowledged the many skills he brought to the Agency, in particular the numerous PowerPoint presentations he prepared. Ms. Palamountain stated that Mr. Krasnow's contributions on low-income issues have made not only the public more educated, but the Commission as well. Ms. Palamountain recognized Mr. Krasnow's community work and shared her great admiration for his dedication and commitment to affordable housing. Ms. Palamountain enthusiastically seconded the motion to adopt the resolution commending Mr. Krasnow.

Commissioner Dunlop stated that he really liked Mr. Krasnow, that he is a great individual recalling the time when Mr. Krasnow first started with the Agency, that he had colored hair and face metal and now, have grown into a sophisticated gentleman. Mr. Dunlop gave high praise to Mr. Krasnow, in particular the awesome PowerPoint presentations. Mr. Dunlop informed Mr. Krasnow that if he changed his mind, he is welcome to come back to the Agency. Mr. Dunlop wished Mr. Krasnow well and good luck in Denver.

President Yee informed Mr. Krasnow that he can come back anytime and would receive double pay. Mr. Yee remarked that he thought all along that Senator John Burton was the one who worked on SB 2113 and now finds out that Mr. Krasnow is the genius who crafted the legislation. Mr. Yee stated that Mr. Krasnow deserves the Commission's praise for being an extraordinary individual and remarked that Mr. Krasnow is still a young man and can look forward to a long, productive life. Mr. Yee stated that the Agency will miss Mr. Krasnow, wished him luck and opined that Mr. Krasnow is almost irreplaceable.

ADOPTION: IT WAS MOVED BY MR. SINGH, SECONDED BY MS. PALAMOUNTAIN, AND UNANIMOUSLY CARRIED (MS. FORIEST SETTLES ABSENT) THAT ITEM 4 (e) RESOLUTION NO. 172-2001, COMMENDING AND EXPRESSING APPRECIATION TO AARON KRASNOW FOR MANY YEARS OF DEDICATED SERVICE UPON HIS DEPARTURE FROM THE REDEVELOPMENT AGENCY OF THE CITY AND COUNTY OF SAN FRANCISCO, BE ADOPTED.

- 4 (f)** Resolution No. 173-2001, Authorizing Exclusive Negotiations with GP/TODCO-A, Inc., a California nonprofit public benefit corporation, for the disposition and development of the Plaza Hotel, located at 988-992 Howard Street; South of Market Earthquake Recovery Redevelopment Project Area

Presenters: Aaron Krasnow (Agency staff), John Elberling, Teresa Yanda

(GP-TODCO)

Speakers: Antoinetta Stadlman, Daphne Benson, Christina Olague, Patricio Ergina, Dominador Purugganan, Esther Fjellhaug, Donna Rowles, Allan Manalo, Tyra Butler, Renee Jones, Professor Danilo Begonia, Roger Gordon, Richard Marquez, Chrystene Ells, Werner Goff, Daniel Weil, Ramon Abad, Craig Adelman, Charles Range, Joe O'Donoghue, Denise D'Anne, Judy Nihei, Tracy Aubuchon, P.B. Jones.

President Yee thanked everyone who testified and attended the meeting for their participation, specially the PAC members, acknowledging the many hours PAC members have spent to provide a recommendation to the Commission. Mr. Yee informed the public that he and other Commissioners have contemplated modifications to the Agency's RFP process in order to provide a fair and open process that will encourage developers to build more affordable housing. Mr. Yee stated that the timing is right to set an example for a responsible policy that will take a leading role in the development of affordable housing in our City. Mr. Yee cited the passage of SB 2113 sponsored by Senator John Burton that provides \$200 million of additional tax increment funds for the development of affordable housing through the year 2014. Mr. Yee recognized the City's affordable housing crisis and that such crisis demands a responsive public policy to address the public's need, policy that provides a level playing field for both for-profit and non-profit developers. Mr. Yee stated that this is the reason why he had made a motion to modify the Agency's RFP process in order to prevent discrimination against developers who are equally qualified but do not have direct project experience in the RFP target neighborhood. Mr. Yee recommended that based upon these facts, the Commission should move immediately to modify the RFP process before approving future development projects. Mr. Yee stated that he strongly opposes the staff's recommendation for the selection of the developer for the exclusive negotiations on the Plaza Hotel.

Commissioner Romero thanked everyone for coming and remarked that this project is the kind of project that provides meaning to him as a Commissioner and that the many hours and additional work that he does is well worth it when people who are directly affected by the Commission's vote come out and tell the Commission about their personal feelings and support. Mr. Romero urged the public to come back before the Commission when it considers similar projects and opined that this item is a "no-brainer" because it not only addresses the need for affordable housing, it has 100% support from the people who testified, it has a developer with 30 years of experience, and it had an open and very fair bidding process. Mr. Romero stated that the Commission should be thankful that we have someone like TODCO who is

willing to undertake such a challenging project. Mr. Romero again thanked the public for coming and puts forth a motion to adopt the item.

Commissioner Dunlop seconds the motion and remarked that it is wonderful to hear from the neighborhood, the people from the South of Market community who all spoke in support of the project and staff's recommendation, including Joe O'Donoghue which surprised Mr. Dunlop. Mr. Dunlop stated that this is an important project for an important community of San Francisco and Sixth Street must be recognized as a community that is under stress, a community that needs to be respected and a community that has come before the Commission to inform us of what they desire for their community. Mr. Dunlop pointed out that the community has come out to tell the Commission that it does not want gentrification, that it does not want evictions, that it wants affordable housing, and that it wants this project that will provide 115 units of decent affordable housing in this neighborhood. Mr. Dunlop pointed out to the Commission that this project has gone through two RFPs where there were questions raised that resulted in a re-issuance of the second RFP and there was only one respondent, noting that the other competing respondent in the first RFP did not submit a proposal in the second RFP and in fact testified to endorse TODCO's proposal. Mr. Dunlop stated that it is unfortunate that we only had one respondent but that this one respondent has met all the requirements of the RFP and goes beyond that with their experience in affordable housing development, their expertise in the field of tax financing and there is no doubt that this is a qualified developer. Mr. Dunlop recommended support for this developer, pointing out that not supporting this project would be a serious error and would delay the provision of 115 units of sorely needed affordable housing, safe, clean and decent housing that the City and its citizens need. Mr. Dunlop remarked that to delay this project any longer would be close to criminal and certainly immoral.

Commissioner Palamountain expressed her concerns about the process for this project and reiterated that two RFPs have been issued and because of the delays, the Agency has had to assume ownership and management of the Plaza Hotel while the building has languished in disrepair in a community that desperately needs low-income housing. Ms. Palamountain stated that although the Agency staff has diligently moved the process, it is the Commission who has been unable to make a decision to develop this property. Ms. Palamountain referred to the Chester Hartman book and stated that she is familiar with the book and pointed out that the lesson of the Hartman book is not that the Agency should be involved, but that the Agency should not be owned by private interests in deciding what to redevelop. Ms. Palamountain commented that she now realizes why the Commission has been engaged in a debate on the RFP process, due to President Yee's comments about SB 2113 and the \$200 million that it provides and that this is the reason why the Chair has moved to expand the pool of developers for affordable housing from non-

profit to for-profit. Ms. Palamountain stated that as a matter of principle, she is not opposed to for-profit developers entering into the affordable housing development, but reflected on her experience that heretofore, for-profit developers have been uninterested in the low-income housing market because it is not profitable. Ms. Palamountain raised a second issue that alleges that this project is a subsidized project, pointing out that all housing in this country is in fact subsidized and receives some form of governmental assistance, and that this comes in the form of a mortgage break that usually benefits higher income people rather than lower income people. Ms. Palamountain remarked that the issue of subsidies should be addressed across the board and not just against poor people who do not have the financial resources. Ms. Palamountain stated her support for mortgage subsidy and that she benefits from it but at the same time she also supports humanitarian needs making sure that everyone's needs throughout the socio-economic scale are addressed. Ms. Palamountain stated that she is open to discussing modifications to the RFP but not at the expense of low-income people. Ms. Palamountain stated that she plans to support the item just like the 22 people that testified.

Commissioner King commented that it has been at least 15 years since TODCO has been developing housing and that it is his opinion that the process should be open to other developers in the City. Mr. King stated that he saw and heard many Filipinos and Blacks testifying but that he does not see these minority groups competing and submitting proposals to develop housing and the development process has not opened up to allow other qualified developers to participate. Mr. King acknowledged that TODCO does a good job but there has been only one Black developer, SFHDC that has broken through and there is a monopoly when it comes to affordable housing development and the guidelines in the RFP denies the competitive process for other developers. Mr. King stated that this is the reason why he will vote against this item until such time as the Commission modifies the RFP to open up the process to other developers other than TODCO. Mr. King recommended that the Commission turn down this proposal and put it back out and open it up to other groups and developers.

Commissioner Singh asked how many projects does TODCO have with the Agency and stated that he was glad to see the tenants attending the meeting. Mr. Singh asked whom the chairman of the TODCO board is. Mr. Singh stated that he supports open competition and that he is against the proposed exclusive negotiations with TODCO.

President Yee informed the public that the current residents will not be in jeopardy and that whomever is selected to develop the Plaza Hotel will ensure that. Mr. Yee stated that the Commission will be making a decision not only for TODCO and the Plaza Hotel but for all future developments. Mr. Yee commented that TODCO in fact has a monopoly in the South of Market pointing out that although staff contact 44 other developers only TODCO

responded which means that they do have a monopoly. Mr. Yee stated that the Plaza Hotel is a prime example of how non-profit developers can abuse the Agency's RFP process, perhaps by pressing Agency staff to include requirements that exclude experienced for-profit developers and other deserving non-profit developers, that this is a trademark of a group of non-profit housing developers who are seeking to monopolize the development of affordable housing in San Francisco. Mr. Yee continued his speech, stating that whenever a monopoly controls and dominates a market fears of price fixing or collusion might exist whether it is warranted or not and that the first step in preventing this situation is to open the development of affordable housing to all qualified, experienced and financially stable developers who are outside of this non-profit monopoly.

At this point, Commissioner Dunlop challenges the Chair, specifically citing Robert's Rules of Order's rule against the Chair's participation in the debate, without first relinquishing the Chair.

President Yee relinquished the Chair to Vice-President King and continued with his speech. Mr. Yee stated that it costs more for non-profit developers to build affordable housing because they do not have the financial resources to complete the projects therefore resulting in significantly deeper public subsidies and the percentage of public to private financing is very high. Mr. Yee stated that non-profit developers are too expensive and too dependent upon the Agency and the City's public funds, that have resulted in the Commission being entrapped for the past 11 years in accepting non-profit developers as the only developers for affordable housing when in fact the Agency is unfairly excluding competition that would benefit the public interest. Mr. Yee reiterated that as a Commission appointed by Mayor and confirmed by the Board of Supervisors, the Commission has an obligation to the people of San Francisco by making sound and responsible public policy that are responsive to the housing needs of the entire City.

At this point, Acting President King admonished members of the public to refrain from laughing at Commissioners but that the public may applaud.

A demonstrative and clamorous applause ensued at which point, Acting President King called for security officers to halt the public disruption.

President Yee continued and commented that his remarks are not intended to attack TODCO and that he is there to make sound policy and thanked the public and the Commission for their attention.

Commissioner Romero addressing his remarks to President Yee, stated that Mr. Yee is hurting the people at the Plaza Hotel and that Mr. Yee is simply against TODCO and against the residents of the Plaza Hotel and the South of Market community. Mr. Romero stated that this matter should be approved tonight, that there is no valid reason to vote against this project. Mr. Romero informed the public that the Commission is not complete, that it is missing

one Commissioner, Ms. Settles and felt that if Ms. Settles was present that she would see through this situation with her clear thinking and objective demeanor.

Commissioner Dunlop apologized to the public and stated that he was really sorry for all the people who came to the meeting and that it is wrong to delay and that it is wrong to vote no. Mr. Dunlop urged the public to come back and to talk to their Supervisor because what Mr. Yee is talking about is amending a redevelopment plan which would have to be approved by the Board of Supervisors and to not let that happen. Mr. Dunlop implored the public to let their elected representative know of the disservice that happened tonight and asked the public to not give up.

Commissioner Palamountain pleaded with the public to keep coming to the meetings and to not be discouraged, stating that war has been declared against non-profit developers, developers such as TODCO, SFHDC, Mercy Charities, TNDC, Asian Neighborhood Design, and Asian Inc. Ms. Palamountain encouraged the public to come out and speak for the non-profit developers who have consistently stood up for low income residents of the City. Ms. Palamountain disputed comments about allegations of monopoly by non-profit developers specifically TODCO, that a charge of monopoly is very serious and that if there was a monopoly, only TODCO would be the only developer developing any affordable housing in South of Market. Ms. Palamountain stated that comments about TODCO's capacity is not the issue, but that this is clearly personal because the President's comments did not provide any specific requirement that was not met in the RFP, rather the charges are general in nature. Ms. Palamountain reminded the Commission that this is the second RFP and if Commissioners had concerns about the RFP they should have raised them at that time and not now when the exclusive negotiations is before the Commission, pointing out that the Executive Director as well as the prior Director have come numerous times before the Commission providing updates on the status of the RFP and no one on the Commission raised any issues. Ms. Palamountain urged the Commission to vote for this item and opined that the Commission is in gross violation of its duties to the public.

ADOPTION: IT WAS MOVED BY MR. ROMERO, SECONDED BY MR. DUNLOP, THAT ITEM 4(f) RESOLUTION NO. 173-2001, AUTHORIZING EXCLUSIVE NEGOTIATIONS WITH GP/TODCO-A, INC., A CALIFORNIA NONPROFIT PUBLIC BENEFIT CORPORATION, FOR THE DISPOSITION AND DEVELOPMENT OF THE PLAZA HOTEL, LOCATED AT 988-992 HOWARD STREET; SOUTH OF MARKET EARTHQUAKE RECOVERY REDEVELOPMENT PROJECT AREA, BE ADOPTED AND ON ROLL CALL THE FOLLOWING VOTED "AYE":

Mr. Dunlop
Ms. Palamountain
Mr. Romero

AND THE FOLLOWING VOTED "NAY":

Mr. Singh
Mr. Yee
Mr. King

AND THE FOLLOWING WERE ABSENT.

Ms. Foriest Settles

THE SECRETARY DECLARED THE RESULTS OF THE ROLL CALL VOTE, THREE (3) AYES , THREE (3) NOES AND ONE (1) ABSENT.

THE PRESIDENT THEREUPON DECLARED THAT RESOLUTION 173-2001 FAILS.

At this time, the Commission took a 5-minute break.

Following resumption of the Commission meeting, President Yee assumed the position of Chair

- 4 (g)** Resolution No. 174-2001, Authorizing a Personal Services Contract in an amount not to exceed \$150,000 with the Japanese Community Youth Council, a California non-profit public benefit corporation, for fiscal agent services to the Japantown Task Force, Inc., a California non-profit public benefit corporation, in connection with the implementation of the Japantown Comprehensive Community Plan; Western Addition Redevelopment Project Area, A-2

Presenters: Shirley Wysinger (Agency staff), Sandy Mori (Japantown Task Force)

Speakers: Mary Helen Rogers, Rod Henmi, Richard Eijima, Pat Shiono, Steve Nakajo, Seiko Fujimoto, Naomi Quiñones, Caryl Ito, Jeff Mori, David Ishida, Benh Nakajo, Essie Collins, Carmen Johnson

Commissioner Romero agreed with all the speakers and lent his support for the item. Mr. Romero puts forth a motion to adopt the item.

Commissioner Singh welcomed everyone and thanked them for coming to the meeting and stated his support for the item by seconding the motion.

Commissioner King thanked everyone for their hard work and look forward to seeing the final Plan for Japantown.

Commissioner Dunlop thanked everyone for their hard work and commended staff for working with the community.

President Yee echoed his fellow Commissioners' comments.

ADOPTION: IT WAS MOVED BY MR. ROMERO, SECONDED BY MR. SINGH AND UNANIMOUSLY CARRIED (MS. FORIEST SETTLES ABSENT) THAT ITEM 4 (g) RESOLUTION NO. 174-2001, AUTHORIZING A PERSONAL SERVICES CONTRACT IN AN AMOUNT NOT TO EXCEED \$150,000 WITH THE JAPANESE COMMUNITY YOUTH COUNCIL, A CALIFORNIA NON-PROFIT PUBLIC BENEFIT CORPORATION, FOR FISCAL AGENT SERVICES TO THE JAPANTOWN TASK FORCE, INC., A CALIFORNIA NON-PROFIT PUBLIC BENEFIT CORPORATION, IN CONNECTION WITH THE IMPLEMENTATION OF THE JAPANTOWN COMPREHENSIVE COMMUNITY PLAN; WESTERN ADDITION REDEVELOPMENT PROJECT AREA, A-2, BE ADOPTED.

PERSONS WISHING TO ADDRESS THE MEMBERS ON NON-AGENDA, BUT AGENCY RELATED MATTERS

- Sean Spear, John Elberling

REPORT OF THE PRESIDENT:

- Stated that it's good to be back from fishing vacation.
- Reminded fellow Commissioners that it is against Robert's Rules of Order to criticize other Commissioners.

REPORT OF THE EXECUTIVE DIRECTOR

- Reminded the Commission that a workshop on the RFP was held on July 31st followed by an informational memorandum on September 11th detailing the revisions to the boilerplate RFP and that staff's understanding is that the modifications would apply to prospective RFP issuance and that the Commission was provided with information on the

Minutes of a Regular Meeting October 2, 2001

Plaza Hotel RFP since the deadline for the responses in May, that no member of the Commission requested that the boilerplate RFP be placed on the calendar for consideration.

- Announced that the Parcel 732-A RFP is on the Commission's October 16th Agenda.
- Awaiting Supervisor Gonzales' scheduling of a public hearing on Parcel 732-A
- Arts Commission President's request to appear at a future Commission meeting regarding the Turk Street substation transfer to the Agency and that the Arts Commission supports cultural development on the property.
- Museum of Modern Art exhibit of BAYCAT youth photo exhibits on Thursday, October 4th at 6:00 p.m.
- Mexican Museum groundbreaking ceremony scheduled for October 25th at 10:00 a.m. at the Argent Hotel
- David Dial has resigned as Director of the Zeum
- Board of Supervisors Finance Committee hearing on the Octavia Boulevard parcels have been rescheduled from October 3rd to October 10th.
- Library Commission meeting held today, October 2nd to consider the proposed Mission Bay library.
- RFQ for Engineering Services panel – 16 respondents
- RFP for Maintenance Study of the Yerba Buena Gardens – 3 responses
- ULI Workshop sponsored by SPUR on Friday, October 12th – shall inquire about a Saturday schedule to accommodate Commissioners.

COMMISSIONERS' QUESTIONS AND MATTERS

- Commissioner Romero requested that a parliamentarian be present at every Commission meeting. Mr. Romero also requested statistics regarding evidence of monopoly by TODCO.
- Commissioner Palamounain thanked the Executive Director for the informational memorandum on the Hunters Point Shipyard U.S. Senate appropriation of \$50.6 million for toxic clean up.

- Commissioner Singh agreed with Mr. Romero and would also like to know the amount of subsidies provided to TODCO and other non-profit developers.
- Commissioner Dunlop reported an outside contact with former Commissioner Lynette Sweet regarding the BAYCAT project and a meeting with Christine Olague of the Sixth Street Agenda seeking support for the Plaza Hotel matter
- President Yee requested that the boilerplate RFP matter be calendared and sought the consensus of the Commission. Commissioner Romero stated his objection and Mr. Yee withdrew his motion to calendar the item and remarked that he and the Vice-President along with the Executive Director will determine a date at the next Agenda setting meeting. Mr. Yee explained that when he requested that item 4 (c) regarding the Ambassador Hotel be removed from the consent agenda, he did not intend to criticize staff reiterating his concern that an important matter like that should not have been placed on the consent agenda.

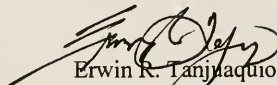
CLOSED SESSION

- (a) Pursuant to Government Code §54957.6 to instruct the Agency's designated representatives to negotiate with the International Federation of professional and Technical Engineers Local 21 (IFPTE Local 21). Agency designated representatives: Marcia Rosen, Ayisha Benham, Ora Williams and Chris Iglesias.
- (b) Pursuant to government Code §54957.6 to instruct the Agency's designated representatives to negotiate with the San Francisco Redevelopment Employees Association-Professional/ Technical Unit. Agency designated representatives: Marcia Rosen, Ayisha Benham, and Ora Williams

ADJOURNMENT

It was moved by Mr. Romero, seconded by Mr. Dunlop, and unanimously carried that the meeting be adjourned. The meeting adjourned at 8:45 p.m.

Respectfully submitted,


Erwin R. Tanjuaquio
Agency Secretary

APPROVED:

No Commission Action

MINUTES OF A REGULAR MEETING OF THE
REDEVELOPMENT AGENCY OF THE CITY AND
COUNTY OF SAN FRANCISCO HELD ON THE
9TH DAY OF OCTOBER 2001

The Commissioners of the Redevelopment Agency of the City and County of San Francisco met in a regular meeting at City Hall, 1 Dr. Carlton B. Goodlett Place, Room 416, in the City of San Francisco, California, at 4:00p.m. on the 9th day of October 2001, at the place and date duly established for holding of such a meeting.

The President called the meeting to order and on roll call the following answered present:

Benny Y. Yee, President
Leroy King, Vice President
Mark Dunlop
Kathryn C. Palamountain
Ramon E. Romero
Michal Foriest Settles
Darshan Singh

and the following were absent:

The President declared that a quorum was present.

Marcia Rosen, Executive Director, and staff members were also present. DOCUMENTS DEPT.

Parliamentarian John L. Taylor was also present.

SEP 13 2007

MATTERS OF NEW BUSINESS – REGULAR AGENDA

SAN FRANCISCO
PUBLIC LIBRARY

- 4 (a) Resolution No. 175-2001, Commending and Expressing Appreciation to Helen L. Sause on the Occasion of the Tenth Anniversary of the Yerba Buena Alliance

Presenters: Darby Kremers (Agency Staff)

Commissioner King stated that he was honored to make the motion to adopt the resolution. Mr. King recalled that Helen Sause was the Commission Secretary back in 1980 and that Ms. Sause guided him through his appointment to the Commission. Mr. King commented that Ms. Sause was later appointed as the Project Director for Yerba Buena Center and that the Commission voted unanimously on her appointment and the Commission did not make a mistake in appointing Ms. Sause. Mr. King remembered the trying times in Yerba Buena Center and commended Ms. Sause for her hard work and perseverance. Mr. King thanked Ms. Sause for her services and

informed her that he will be in attendance at the Yerba Buena Alliance 10th Anniversary celebration.

Commissioner Dunlop stated that it was a pleasure to work with Ms. Sause during the last four years that he has been a Commissioner. Mr. Dunlop commended Ms. Sause for her vision of Yerba Buena Center and the Redevelopment Agency's programs. Mr. Dunlop commented that Ms. Sause has been his tutor and mentor because of her through knowledge of redevelopment and commended and thanked Ms. Sause for her dedicated service.

Commissioner Palamountain recalled thinking that as she enjoys the Yerba Buena Gardens facilities and great open space, that it must have taken an "iron-fisted taskmaster" to accomplish all of the wonderful things in YBC, but when one meets Helen Sause, one realizes that she is in fact an "iron-fisted taskmaster" but that she is also a person that has an incredible amount of respect and leadership in the community and a person whom she has learned a lot from. Ms. Palamountain extended her appreciation to Ms. Sause for making Yerba Buena Gardens such a beautiful place.

Commissioner Foriest Settles commended Ms. Sause and stated that Ms. Sause has the gift and blessing of grace and leadership and remarked that when Ms. Sause delivers an inauspicious message, it is delivered so gracefully that the Commission accepts the message. Ms. Foriest Settles shared her appreciation for Mr. Sause's work and informed her that she would not be able to attend the celebration.

Commissioner Singh remarked that Helen Sause is so polite, so nice and respectful. Ms. Singh was delighted and honored to second the motion.

President Yee agreed with the other Commissioners and remarked that although he has not served the Commission as long as other Commissioners, he has served the State of California for many years and has not encountered staff who is more professional than Helen Sause. Mr. Yee stated that Ms. Sause has a perfect personality and has the most even temperament of any staff and should have been Executive Director a long time ago. Mr. Yee wished Ms. Sause continued success and thanked her for all of her hard and dedicated work for the Agency.

ADOPTION: IT WAS MOVED BY MR. KING, SECONDED BY MR. SINGH, AND UNANIMOUSLY CARRIED THAT ITEM 4 (a) RESOLUTION NO. 175-2001, COMMENDING AND EXPRESSING APPRECIATION TO HELEN L. SAUSE ON THE OCCASION OF THE TENTH ANNIVERSARY OF THE YERBA BUENA ALLIANCE, BE ADOPTED.

President Yee invited Helen Sause to say a few words.

Ms. Sause addressed the Commission and thanked the Commission for the honor and accepted the commendation on behalf of the Agency staff and the community.

Items 4 (b) and (c) were presented together and acted upon separately by the Commission.

- 4 (b)** Resolution No. 176-2001, Public Hearing to hear all persons interested in Authorizing a Ground Lease with Namiki Apartments, L.P., a California limited partnership, for the Agency's interest in the land at 1776 Sutter Street; Western Addition Redevelopment Project Area A-2
- 4 (c)** Resolution No. 177-2001, Authorizing the Issuance, Sale and Delivery of Multifamily Housing Revenue Bonds in an aggregate principal amount not to exceed \$7,500,000 to assist Namiki Apartments; L.P., a California limited partnership with the acquisition and rehabilitation of residential facilities located at 1776 Sutter Street, San Francisco, constituting Parcel 675 of Block 49 of the Western Addition Redevelopment Project Area A-2; Authorizing certain officers to enter into an Indenture of Trust, a Loan Agreement, a Regulatory Agreement and a Bond Purchase Contract with respect to such bonds, Approving an Official Statement and Approving and Authorizing actions and documents relating thereto

Presenters: Elizabeth Colomello (Agency staff), Gordon Chin, Monica Mejia (CCDC)

Speakers: Frank Kawasaki, Bob Isaacson, Phyllis Christopherson, Chris Durazo

President Yee called Ms. Colomello to the podium and stated that while the Chair is not opposed to the recommendations for items 4 (b) and (c), he asked about a statement in the memorandum that CCDC currently owns over 1,000 units and asked if staff had the actual number of units owned by CCDC. Mr. Yee requested that a copy of the information be provided to the Commission.

Ms. Colomello informed the Commission that CCDC owns 18 development projects, and 1, 289 units and Ms. Colomello assured President Yee that copies of the information will be provided to the Commission.

Commissioner Dunlop stated that he was happy to move item 4 (b) and that he is proud of the Agency's preservation housing program, in particular the way that we have empowered the tenants through the resident capacity program is very rewarding. Mr. Dunlop commented that this type of housing benefits the City and its low-income tenants and that CCDC is a wonderful developer.

Commissioner Singh asked what the difference is between the old and revised resolution for item 4 (b). Mr. Singh asked if the tenants attending the meeting already live in the Namiki and if rents will increase. Mr. Singh asked when the bonds would be issued and who the underwriter was. Mr. Singh inquired about the interest rate for the bonds.

Commissioner Palamountain seconded the motion and agreed with Commissioner Dunlop's comments and that this program maximizes the drawdown of the rent subsidies and minimizes the impact on low-income tenants.

Commissioner Romero lent his full support of Commissioners Dunlop and Palamountain's comments and stated that he was proud to vote for the items.

Commissioner King rose to support the item and cited other senior housing developments such as Martin Luther King and Marcus Garvey and commended Gordon Chin for his hard work in providing very needed senior housing. Mr. King remarked that he himself is a senior and in fact lives in St. Francis Square and shared that he knows first-hand the need for such housing. Mr. King stated that Agency staff has done a good job and commends their hard work.

ADOPTION: IT WAS MOVED BY MR. DUNLOP, SECONDED BY MS. PALAMOUNTAIN, AND UNANIMOUSLY CARRIED THAT ITEM 4 (b) RESOLUTION NO. 176-2001, PUBLIC HEARING TO HEAR ALL PERSONS INTERESTED IN AUTHORIZING A GROUND LEASE WITH NAMIKI APARTMENTS, L.P., A CALIFORNIA LIMITED PARTNERSHIP, FOR THE AGENCY'S INTEREST IN THE LAND AT 1776 SUTTER STREET; WESTERN ADDITION REDEVELOPMENT PROJECT AREA A-2, BE ADOPTED.

ADOPTION: IT WAS MOVED BY MS. PALAMOUNTAIN, SECONDED BY MR. SINGH, AND UNANIMOUSLY CARRIED THAT ITEM 4 (c) RESOLUTION NO. 177-2001, AUTHORIZING THE ISSUANCE, SALE AND DELIVERY OF MULTIFAMILY HOUSING REVENUE BONDS IN AN AGGREGATE PRINCIPAL AMOUNT NOT TO EXCEED \$7,500,000 TO ASSIST NAMIKI APARTMENTS; L.P., A CALIFORNIA LIMITED PARTNERSHIP WITH THE ACQUISITION AND REHABILITATION OF RESIDENTIAL FACILITIES LOCATED AT 1776 SUTTER STREET, SAN FRANCISCO, CONSTITUTING PARCEL 675 OF BLOCK 49 OF THE WESTERN ADDITION REDEVELOPMENT PROJECT AREA A-2; AUTHORIZING CERTAIN OFFICERS TO ENTER INTO AN INDENTURE OF TRUST, A LOAN AGREEMENT, A REGULATORY AGREEMENT AND A BOND PURCHASE CONTRACT WITH RESPECT TO SUCH BONDS, APPROVING AN OFFICIAL STATEMENT AND

APPROVING AND AUTHORIZING ACTIONS AND DOCUMENTS
RELATING THERETO, BE ADOPTED.

**4 (d) Workshop on the status of redevelopment planning activities for the proposed
Mid Market Redevelopment Project Area**

Presenters: Jose Campos (Agency staff)

Speakers: Bill Shaw, Robert J. McCarthy, Tracy Aubuchon, Byron Yee

Commissioner Romero thanked Jose Campos for an excellent presentation and other staff who helped with the presentation. Mr. Romero referred to Bill Shaw's concern with the proposed rezoning of their theater properties, specifically parking issues.

Executive Director Rosen responded and stated that the sites identified are designated as housing opportunity sites as well as other sites proposed to dramatically increase the parking for the specific purpose of serving the needs of the cultural and theater uses in the area. Ms. Rosen explained that there is recognition of the need for additional parking and public transit to serve the theaters and that these are part of the proposed plan for Mid-Market. Ms. Rosen stated that both the Agency and the PAC support the concept of providing safe, secure and adequate parking for the theaters in Mid-Market.

Commissioner Romero acknowledged the Executive Director's response and stated that there seems to be a conflict about where the parking is to be provided and that he would be watching this issue.

Commissioner Dunlop thanked the PAC for its hard work and recalled that four years ago when he first came to the Commission, the Mid-Market effort was just beginning and he looks forward to the project coming to fruition. Mr. Dunlop remarked that Mid-Market has the potential to be San Francisco's Champs Elysées. Mr. Dunlop stated his interest in Mr. Shaw and Mr. McCarthy's concern with the parking lot issue.

Commissioner Foriest Settles congratulated the PAC and staff for its hard work and commented that she was glad to see that the Agency is being careful about not displacing people from the area but was interested in the children population in Mid-Market. Ms. Foriest Settles stated that she appreciated the broad and comprehensive approach including businesses and attracting businesses to the area, but advised that it is important to retain not only the character of the community but also the people that live and work in the area. Ms. Foriest Settles requested that demographics for children in Mid-Market be provided to the Commission.

Commissioner Palamountain thanked staff and the PAC for their hard work and appreciated their plans to have twelve meetings in a span of three months and that the meetings are spread out with various start times to accommodate the community. Ms. Palamountain inquired about the outreach efforts to inform all in the community about the meetings and specifically asked about providing notices in different languages in addition to English, pointing out that there is a very diverse community with some members of the community having language challenges. Ms. Palamountain shared that until April of this year, she was working near Sixth Street and is very familiar with the community and the people who live and work in the area, suggesting that in addition to notifying the area's property owners, residents and businesses, there should also be outreach to the homeless population in the area. Ms. Palamountain thanked Mr. Campos for addressing the small businesses in the community and for having a concrete goal to prevent displacement. Ms. Palamountain applauded Mr. Campos and staff and the PAC for their efforts and for specifically including space for non-profit organizations as well as providing a wide range of community services. Ms. Palamountain shared her enthusiasm about the project.

Commissioner Singh asked if the retention of small businesses in the area is under the Agency's jurisdiction. Mr. Singh inquired about the provision of business loans and will the Agency provide such loans.

President Yee commended staff for doing a fantastic job and thanked the staff and the PAC for their hard work. Mr. Yee stated that with respect to the zoning issue, the Agency Commission is not intending to impact properties with rezoning.

PERSONS WISHING TO ADDRESS THE MEMBERS ON NON-AGENDA, BUT AGENCY RELATED MATTERS

- Olivia May Malabuyo, Anatolio Ubalde, Antoinetta Stadlman, Allan Manalo, Ramon Abad, Chrystene Ells, Richard Marquez, David McGuire, Tracy Aubuchon, Christina Olague, Daphyne Benson, Jonathan White, Dr. Theo Gonzalves, Mark Marking

All of the above speakers urged the Commission to put back on the Agenda the Plaza Hotel project and lent their support for TODCO receiving the Exclusive Negotiations to develop the Plaza Hotel.

REPORT OF THE EXECUTIVE DIRECTOR

- Announced that the flyers for the BART Career Expo was distributed to 60 organizations and other interested parties.
- Announced the opening of the Small Business Resource Center in Bayview at 3801 Third Street.
- Mayor's State of the City Address on Monday, October 22nd at 3:00 p.m. in the Board of Supervisors' chambers in City Hall.
- Board of Supervisors Finance Committee meeting regarding the Octavia Boulevard (Parcels A and C) Transfer Agreement on October 10th at 10:00 a.m.
- Board of Supervisors Rules Committee meeting on October 15th at 9:00 a.m. regarding Parcel 732-A.
- Community event for the Kokoro assisted-living project at 1881 Bush Street unveiling the discovery of a time capsule behind the building, scheduled for October 4th and 5th at 11:00 a.m.
- ULI/SPUR workshop on Real Estate Tools for October 12th has been cancelled and working with SPUR to reschedule for possibly on a Saturday to accommodate Commissioners' schedules.
- Yerba Buena Alliance 10th Anniversary Celebration on October 10th at 8:30 a.m.
- Four Seasons Hotel Grand Opening Luncheon on October 11th at 11:00 a.m.
- Cocktail Reception celebrating Zeum and the American Conservatory Theater (ACT) coalition, on October 20th at 7:00 p.m.
- Captain Jim White's retirement luncheon on October 19th at noon.

COMMISSIONERS' QUESTIONS AND MATTERS

- Commissioner Dunlop reported that he has received a lot of telephone calls regarding the Plaza Hotel from the community as well members of the Board of Supervisors. Mr. Dunlop puts forth a motion to calendar the Plaza Hotel matter for the October 16th

- President Yee advised Commissioner Dunlop that it is not proper to put the item back on a future agenda and asked the Parliamentarian for a ruling based upon Robert's Rules of Order. Mr. Yee pointed out that the Commission's tie vote at the last meeting meant that the resolution did not pass and explained that a member from the losing side cannot bring the matter back for reconsideration.
- Commissioner Dunlop clarified that he was not making a motion to reconsider the matter, but that he was making a motion to simply place the matter on the calendar for next week.
- Parliamentarian John L. Taylor stated that the President is correct that the matter could not be brought back for reconsideration, but pointed out that there are two ways in which an item can be placed on the Commission's agenda, one provided for in the Agency's by-laws whereby the President, Vice-President and Executive Director set the agenda and during a Commission meeting, where the Commission can calendar items on future agendas. Mr. Taylor cited an example where the City has before it the purchase of a fire truck and votes it down, but the City could, in the future consider the purchase of a fire truck, explaining that the Commission could not thwart itself from changing its mind.
- President Yee asked the Parliamentarian to cite the specific rule pertaining to motions in the Robert's Rules of Order.
- Parliamentarian Taylor responded and read from the Robert's Rules of Order, describing the specific rule that any member of an assembly can make a motion to calendar an item for consideration by the assembly and that the rules state that such motions cannot be made to reconsider matters that have been voted on during the same meeting, explaining that the rules do not restrict the making of motions at other meetings.
- President Yee was doubtful of the Parliamentarian's ruling stating that he did not agree with the ruling, but stated that he was willing to follow the Parliamentarian's recommendation.
- Parliamentarian Taylor stated that he did not want to be recorded as having provided a recommendation to the Commission, rather he provided a description of the rules affecting the conduct of the Commission.
- Commissioner Dunlop restated his motion to place on the calendar for next week's meeting, the matter pertaining to the Exclusive Negotiations with TODCO for the development of the Plaza Hotel.

- Commissioner Palamountain seconded the motion. Ms. Palamountain spoke passionately about the necessity for the Commission to hear this matter with all seven Commissioners present and stated that the motion to put the matter back on the agenda is not a dilatory act but instead is an act of good faith. Ms. Palamountain shared that following Commissioner King's advise on how to be a good Commissioner, she went to the Plaza Hotel and spent time in the community to see for herself and was convinced of the merits of the Plaza Hotel project and implored her fellow Commissioners to support the motion to calendar the item for next week's agenda.
- Commissioner Romero agreed with Commissioner Palamountain's statements and stated that he was glad to see all the people from the community at the meeting and appreciated their testimony. Mr. Romero remarked that he is very proud of the Commission's record on these type of projects where in the last three and a half years, the Commission has a very good record in voting for similar projects. Mr. Romero thanked the public for coming to the meeting and stated that he supports the motion to put the item back on the calendar and will vote for it at that time. Mr. Romero added that the Commission should, as a matter of practice have the courage to vote on important matters with a majority of the Commission voting the matter either up or down and not have a procedural mishap resulting in a tie vote.
- Commissioner Foriest Settles thanked the many members of the public for coming to the meeting and expressed her appreciation for their patience and dedication for an important project. Ms. Foriest Settles shared the philosophy that the people's business should not stop when she or any member of the Commission is absent, that the business of the Agency should go ahead. Ms. Foriest Settles explained that since she was absent at last week's meeting, she has not seen the minutes, listened to the tapes or spoken to other Commissioners about the item and it is important for her to have the opportunity to review the issues, so she will be supporting the motion to bring the matter back before the Commission. Ms. Foriest Settles pointed out that she does not know as to how she will vote on the item when it is calendared, but her vote will be based upon what she think is right, after hearing all sides from staff, the public and the Commission.
- Commissioner King stated that he voted against the item last week because he objected and still objects to TODCO having all of the housing projects in the South of Market area. Mr. King shared that looking upon all of the Filipinos in the audience, it reminded him of the International Hotel struggle, which he was a part of and stated that his desire was to have the Filipinos have the opportunity to develop themselves the housing that they need. Mr. King stated that he was glad

to see the young people come out and struggle and that he went through that for many years. Mr. King advised the public that the item will be brought back and heard by the Commission and it will be considered on its merits, but clarified that this is not to deny the community the affordable housing it needs and that it is about the process. Mr. King commented that TODCO and Elberling should not have all of the projects, that the community should be the ones developing the housing themselves and this has been his position regarding this item.

- Commissioner Singh stated that in the past, he had voted for TODCO's projects but his concern is that of the RFP process, that it should be a competitive process where everybody shares in the development opportunities. Mr. Singh commented that John Elberling is a nice guy but he voted against the item because there should be a competitive process where other people can submit bids.
- President Yee remarked that TODCO and John Elberling is a good non-profit developer and that the only reason why he rejected the item is because it is not fair to benefit just one developer and other non-profit developers cannot come in because of the monopoly. Mr. Yee stressed that he does not want to see an unconscionable monopoly by one developer and that control by one developer is not fair. Mr. Yee commented that the Commission is here to assist the community and not TODCO and that the Agency cannot afford to let one developer control all developments.

MOTION: IT WAS MOVED BY MR. DUNLOP, SECONDED BY MS. PALAMOUNTAIN TO PLACE ON THE OCTOBER 16, 2001 COMMISSION MEETING AGENDA, THE EXCLUSIVE NEGOTIATIONS WITH TODCO FOR THE DEVELOPMENT OF THE PLAZA HOTEL, AND ON ROLL CALL, THE FOLLOWING VOTED "AYE":

Mr. Dunlop
Mr. King
Ms. Palamountain
Mr. Romero
Ms. Foriest Settles
Mr. Singh

AND THE FOLLOWING VOTED "NAY":

Mr. Yee

AND THE FOLLOWING WERE ABSENT.

THE SECRETARY DECLARED THE RESULTS OF THE ROLL CALL VOTE, SIX (6) AYES , AND ONE (1) NO.

THE PRESIDENT THEREUPON DECLARED THAT THE MOTION CARRIED.

Commissioners Questions and Matters continued.

- Commissioner Foriest Settles expressed her appreciation to staff for getting the word out on the BART Career Expo and shared with the public the schedule for the upcoming Expos in San Francisco. Ms. Foriest Settles shared her visit to the Philadelphia African-American Museum and shared materials with the Commission and staff. Ms. Foriest Settles also reported an outside contact, a letter from Michael Dorando urging her support to put the Plaza Hotel matter back on the agenda.
- Commissioner Singh requested a list of the 30 TODCO housing projects in South of Market.
- Commissioner King inquired about his earlier request for employees' names of the Jones Lang LaSalle consultant firm and was advised that because of privacy laws, employees' names of private companies are not provided.
- Executive Director Rosen and Chris Iglesias informed the Commission that they have provided the workforce breakdown and that the firm has began a training program to encourage minority participation.

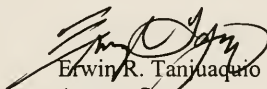
CLOSED SESSION

- (a) Pursuant to Government Code §54956.8 to instruct the Agency's real property negotiators with respect to price and terms with regard to a foreclosure sale. The property is located at 820 O'Farrell Street. The owner of the property is 820 O'Farrell, Inc. Agency negotiators: Olson Lee and Michele Davis.
- (b) Pursuant to Government Code §54956.9(b), Conference with Legal Counsel regarding anticipated litigation: One potential case
- (c) Pursuant to government Code §54957.6 to instruct the Agency's designated representatives to negotiate with the San Francisco Redevelopment Employees Association-Professional/ Technical Unit. Agency designated representatives: Marcia Rosen, Ayisha Benham, and Ora Williams

ADJOURNMENT

It was moved by Ms. Palamountain, seconded by Ms. Foriest Settles, and unanimously carried that the meeting be adjourned. The meeting adjourned at 7:57 p.m.

Respectfully submitted,


Erwin R. Tanjuar
Agency Secretary

APPROVED:

October 30, 2001

MINUTES OF A REGULAR MEETING OF THE
REDEVELOPMENT AGENCY OF THE CITY AND
COUNTY OF SAN FRANCISCO HELD ON THE
16TH DAY OF OCTOBER 2001

The Commissioners of the Redevelopment Agency of the City and County of San Francisco met in a regular meeting at City Hall, 1 Dr. Carlton B. Goodlett Place, Room 416, in the City of San Francisco, California, at 4:00p.m. on the 16th day of October 2001, at the place and date duly established for holding of such a meeting.

The President called the meeting to order and on roll call the following answered present:

Benny Y. Yee, President
Leroy King, Vice President
Mark Dunlop
Kathryn C. Palamountain
Ramon E. Romero
Darshan Singh (departs @ 6:10 p.m.)

and the following were absent:

Michal Foriest Settles

The President declared that a quorum was present.

DOCUMENTS DEPT.

Marcia Rosen, Executive Director, and staff members were also present.

SEP 13 2007

Parliamentarian Patricia Langdell was also present.

SAN FRANCISCO
PUBLIC LIBRARY

Agency Commission Secretary Erwin R. Tanjuaquio announced that the regularly scheduled meeting of the Affordable Housing Committee for October 16, 2001 has been cancelled. Mr. Tanjuaquio also announced the presence of Patricia Langdell, the Commission's Parliamentarian.

MATTERS OF NEW BUSINESS

CONSENT AGENDA

- 4 (a) Approval of Minutes: Meeting of October 2, 2001
- 4 (b) Resolution No. 178-2001, Authorizing a Second Amendment to the Personal Services Contract with Poor People's Radio, Inc., a California non-profit public benefit corporation, to provide live broadcasts of Agency Commission meetings and related public hearings and issues, which extends the contract term through November 21, 2001; All Redevelopment Project and Survey Areas

Commissioner Dunlop puts forth a motion to adopt the Consent Agenda and it was seconded by Commissioner Romero.

President Yee informed the public of the meeting rules and advised them that they are taped and that the meeting is broadcast on closed-circuit television. Mr. Yee advised the public that excessive applause and/or cheering will be deemed a disruption of the meeting and members of the public participating in such demonstrations will be escorted out of the meeting room. Mr. Yee informed his fellow Commissioners that there is a new Parliamentarian present to help the Commission conduct the meeting in an orderly and friendly manner.

President Yee referred to the minutes of October 2nd and asked the Parliamentarian for a ruling on the appropriateness of a member of the Commission openly and publicly speculating on another Commissioner's intention on any matter before the Commission.

Parliamentarian Langdell responded and shared that parliamentary procedures are all about good manners and that Robert's Rules of Order provide authority to the Chair to take a member out if that member says improper remarks.

President Yee acknowledged the response and reiterated that it is improper for any member to criticize another member and by calling the member by name.

Commissioner Romero began to provide a response to President Yee's statements about the October 2nd minutes and was ruled out of order by the Chair. Following consultation with the Parliamentarian, Mr. Yee acknowledged that Commissioner Romero had the floor but must speak on the relevant matter before the Commission.

Commissioner King interjected and asked the Parliamentarian what the procedure is when the Chair rules a Commissioner out of order.

Parliamentarian Langdell advised that the Commissioner who was ruled out of order can appeal the Chair's ruling by challenging the Chair.

Commissioner Romero pointed out that he is not challenging the Chair, that he is addressing the item dealing with the minutes of October 2nd explaining that portions of the minutes describing his comments on the TODCO matter represent only a summary of his comments, comments that have been interpreted by the Chair to be personal attacks upon him. Mr. Romero withdrew his second to the motion adopting the minutes and requested that the minutes be revised to reflect the essence of his comments. Mr. Romero reiterated that his comments were not meant as personal attacks.

NOTE: The Commission did not request a separate discussion of either of the two items on the Consent Agenda.

President Yee called for a vote and Commission Secretary Tanjuaquio asked if the vote on the October 2nd minutes should reflect the suggested revisions by Commissioner Romero in the form of an amendment to the motion to approve the minutes.

President Yee stated that he did not hear such an amendment.

Commissioner Romero explained that he would like the October 2nd minutes to be revised to properly describe the essence of his comments, specifically on the bottom of page 9.

President Yee requested the Commission Secretary to provide duplicate audiocassette tape of the October 2nd meeting to all the Commissioners.

Commissioner King suggested that the Commission not consider approval of the October 2nd minutes until such time as the tapes have been provided and the Commissioners have had an opportunity to listen to the tapes.

Executive Director Rosen clarified that since the second to adopt the Consent Agenda was withdrawn because of issues about the October 2nd minutes, there is nothing before the Commission to vote on, and that the Chair is to entertain a motion to adopt item 4 (b) of the Consent Agenda. President Yee affirmed.

ADOPTION: IT WAS MOVED BY MR. KING, SECONDED BY MR. DUNLOP, AND UNANIMOUSLY CARRIED (MS. FORIEST SETTLES ABSENT) THAT ITEM 4 (b) RESOLUTION NO. 178-2001, AUTHORIZING A SECOND AMENDMENT TO THE PERSONAL SERVICES CONTRACT WITH POOR PEOPLE'S RADIO, INC., A CALIFORNIA NON-PROFIT PUBLIC BENEFIT CORPORATION, TO PROVIDE LIVE BROADCASTS OF AGENCY COMMISSION MEETINGS AND RELATED PUBLIC HEARINGS AND ISSUES, WHICH EXTENDS THE CONTRACT TERM THROUGH NOVEMBER 21, 2001; ALL REDEVELOPMENT PROJECT AND SURVEY AREAS, BE ADOPTED.

REGULAR AGENDA

- 4 (c)** Resolution No. 179-2001, Authorizing Exclusive Negotiations with GP/TODCO-A, Inc., a California nonprofit public benefit corporation, for the disposition and development of the Plaza Hotel, located at 988-992 Howard Street; South of Market Earthquake Recovery Redevelopment Project Area

Commissioner Palamountain inquired about Commissioner Foriest Settles' arrival or attendance at the meeting, pointing out that this item was specifically put off on the hopes that all seven Commissioners would be present. Ms. Palamountain stated that if Commissioner Foriest Settles will be arriving late or not be able to attend, she would make a motion to consider this item either later in the meeting or at a future date. Commissioner Romero seconded the motion.

Commissioner King commented that the Commission did vote to put this item on the Agenda, but now the Commission is changing the rules. Mr. King pointed out that the Commission should not move items because other Commissioners are absent. Mr. King suggested that the motion should be whether any Commissioners have changed their minds on the item explaining that Commissioner Foriest Settles may not show up and remarked that there are a lot of people here waiting.

Commission Secretary Tanjuaquio informed the Commission that an overflow room at Room 400 has been provided for the public.

Commissioner Palamountain emphasized the reason for her motion was to ensure that all seven Commissioners would be present and able to vote on the item. Ms. Palamountain reiterated her motion, stating that the motion is have the item considered at a time when Commissioner Foriest Settles is present and all seven Commissioners are present to consider the item.

President Yee stated that he did not think the motion was valid because it stipulated two time frames at which the matter could be considered. Mr. Yee asked the Parliamentarian for a ruling.

Parliamentarian Langdell pointed out that Commissioner Palamountain's last restatement of her motion did not stipulate a specific time frame and asked if Commissioner Palamountain would repeat her motion.

Commissioner Palamountain repeated her motion, stating, "my motion is to put this agenda item over to a time that all seven members of the Commission are present and able to hear the staff, hear the public and vote on the item."

Commissioner Romero seconds the motion.

President Yee asked for clarification that the motion has no specific time certain.

Parliamentarian Langdell informed President Yee that the motion does not set a specific time and suggested an inquiry as to when the consideration of the item might be expected.

Commissioner Palamountain asked if anyone knew if Commissioner Foriest Settles is going to be attending the meeting and also asked if all the Commissioners will be present at next week's meeting.

Executive Director Rosen informed the Commission that Commissioner Foriest Settles had called her earlier in the afternoon and informed her that she would try to be at the meeting but if she was able to attend, she would be late due to a three o'clock meeting she is having in her office in Oakland. Ms. Rosen added that Commissioner Foriest Settles gave no guarantee that she would make the meeting.

President Yee acknowledged that Commissioner Foriest Settles may not be able to attend and recited the motion on the floor is to delay consideration of the item until Ms. Foriest Settles shows up and called for the question.

Commissioner Romero spoke in favor of the motion to put the item off until Commissioner Foriest Settles arrives, commenting that if Commissioner Foriest Settles is not able to attend, the Commission should put it over until next week.

President Yee stated that he did believe that is what the motion stated. Mr. Yee asked if there were any objections to the motion and hearing none, the matter will be taken up toward the end of the meeting. Mr. Yee asked the Commission Secretary to let the minutes reflect that the Director informed the Commission that Commissioner Foriest Settles may not show up. Mr. Yee called for the next item on the agenda.

Executive Director Rosen clarified that the Commission is passing on item 4 (c) for the time being. President Yee affirmed.

- 4 (d)** Resolution No. 180-2001, Authorizing the Issuance of a Request for Proposals for the Development of Parcel 732-A, located on the northeast corner of Fillmore and Eddy Streets and Expenditure of Agency funds not to exceed \$50,000 for marketing the Request for Proposals; Western Addition Redevelopment Project Area A-2

Presenters: Ricky Tijani (Agency staff)

Speakers: Mary Helen Rogers

ADOPTION: IT WAS MOVED BY MR. SINGH, SECONDED BY MR. DUNLOP, AND UNANIMOUSLY CARRIED (MS. FORIEST SETTLES ABSENT) THAT ITEM 4 (d) RESOLUTION NO. 180-2001, AUTHORIZING THE ISSUANCE OF A REQUEST FOR PROPOSALS FOR THE DEVELOPMENT OF PARCEL 732-A, LOCATED ON THE NORTHEAST CORNER OF FILLMORE AND EDDY STREETS AND EXPENDITURE OF AGENCY FUNDS NOT TO EXCEED \$50,000 FOR MARKETING THE REQUEST FOR PROPOSALS; WESTERN ADDITION REDEVELOPMENT PROJECT AREA A-2, BE ADOPTED.

- 4 (e) Resolution No. 181-2001, Public Hearing to hear all persons interested in Granting a Variance to the Height Requirements of the Yerba Buena Center Redevelopment Plan for a Sign to be mounted on the Zeum Building at the southeast corner of Fourth and Howard Streets on Parcel CB-3; Yerba Buena Center Redevelopment Project Area

Presenters: Thomas Ma (Agency staff), Kari Novatny (Zeum)

Commissioner Singh stated that is a good project and wholeheartedly supports it. Mr. Singh puts forth a motion to adopt the resolution. Commissioner King seconds the motion.

ADOPTION: IT WAS MOVED BY MR. SINGH, SECONDED BY MR. KING, AND UNANIMOUSLY CARRIED (MS. FORIEST SETLES ABSENT) THAT ITEM 4 (e) RESOLUTION NO. 181-2001, PUBLIC HEARING TO HEAR ALL PERSONS INTERESTED IN GRANTING A VARIANCE TO THE HEIGHT REQUIREMENTS OF THE YERBA BUENA CENTER REDEVELOPMENT PLAN FOR A SIGN TO BE MOUNTED ON THE ZEUM BUILDING AT THE SOUTHEAST CORNER OF FOURTH AND HOWARD STREETS ON PARCEL CB-3; YERBA BUENA CENTER REDEVELOPMENT PROJECT AREA, BE ADOPTED.

Items 4 (f) through 4 (j) were presented together and acted upon separately by the Commission

Items 4 (f), 4 (i) and 4 (j) were presented by Ora Williams

- 4 (f) Resolution No. 182-2001, Authorizing a Second Amendment to Salary Resolution No. 91-99

Presenters: Ora Williams (Agency staff)

- 4 (g) Resolution No. 183-2001, Approving the Memorandum of Agreement with the San Francisco Redevelopment Employee Association regarding Conditions of Employment for the Professional/technical Bargaining Unit

Presenters: Ayisha Benham (Agency staff)

Speakers: Sean Spear (Representing SFREA), James Bryant (Local 790)

- 4 (h) Resolution No. 184-2001, Approving the Renegotiated Memorandum of Agreement with the International Federation of Professional and Technical Engineers Local 21 AFL-CIO

Presenters: Ayisha Benham, (Agency staff)

- 4 (i) Resolution No. 185-2001, Authorizing a Fourth Amendment to Salary Resolution No. 139-2000

Presenters: Ora Williams (Agency staff)

- 4 (j) Resolution No. 186-2001, Establishing Classifications of Positions and Compensation for the Agency Staff for Fiscal Year 2001-2002 and Establishing Authority for Appointment to and Vacation from positions under said classifications and other matters

Presenters: Ora Williams, (Agency staff)

Commissioner Palamountain thanked Ora Williams for her perseverance and hard work on all of the personnel items. Ms. Palamountain congratulated everyone involved.

Commissioner Dunlop thanked everyone involved in the labor negotiations including Commissioners. Mr. Dunlop commented that it is important to note that there were in fact negotiations that went back and forth but were all done in good faith and commended Ms. Williams for her hard work and also thanked his fellow Commissioners for the many hours they spent on these matters.

ADOPTION: IT WAS MOVED BY MR. ROMERO, SECONDED BY MS. PALAMOUNTAIN, AND UNANIMOUSLY CARRIED (MS. FORIEST SETTLES ABSENT) THAT ITEM 4 (f) RESOLUTION NO. 182-2001, AUTHORIZING A SECOND AMENDMENT TO SALARY RESOLUTION NO. 91-99, BE ADOPTED.

ADOPTION: IT WAS MOVED BY MR. ROMERO, SECONDED BY MR. SINGH, AND UNANIMOUSLY CARRIED (MS. FORIEST SETTLES ABSENT) THAT ITEM 4 (g) RESOLUTION NO. 183-2001, APPROVING THE MEMORANDUM OF AGREEMENT WITH THE SAN FRANCISCO REDEVELOPMENT EMPLOYEE ASSOCIATION REGARDING CONDITIONS OF EMPLOYMENT FOR THE PROFESSIONAL/TECHNICAL BARGAINING UNIT, BE ADOPTED.

ADOPTION: IT WAS MOVED BY MR. ROMERO, SECONDED BY MR. DUNLOP, AND UNANIMOUSLY CARRIED (MS. FORIEST SETTLES ABSENT) THAT ITEM 4 (h) RESOLUTION NO. 184-2001, APPROVING THE RENEGOTIATED MEMORANDUM OF AGREEMENT WITH THE INTERNATIONAL FEDERATION OF PROFESSIONAL AND TECHNICAL ENGINEERS LOCAL 21 AFL-CIO, BE ADOPTED.

ADOPTION: IT WAS MOVED BY MS. PALAMOUNTAIN, SECONDED BY MR. ROMERO, AND UNANIMOUSLY CARRIED (MS. FORIEST SETTLES ABSENT) THAT ITEM 4 (i) RESOLUTION NO. 185-2001, AUTHORIZING A FOURTH AMENDMENT TO SALARY RESOLUTION NO. 139-2000, BE ADOPTED.

ADOPTION: IT WAS MOVED BY MR. ROMERO, SECONDED BY MR. DUNLOP, AND UNANIMOUSLY CARRIED (MS. FORIEST SETTLES ABSENT) THAT ITEM 4 (j) RESOLUTION NO. 186-2001, ESTABLISHING CLASSIFICATIONS OF POSITIONS AND COMPENSATION FOR THE AGENCY STAFF FOR FISCAL YEAR 2001-2002 AND ESTABLISHING AUTHORITY FOR APPOINTMENT TO AND VACATION FROM POSITIONS UNDER SAID CLASSIFICATIONS AND OTHER MATTERS, BE ADOPTED.

REPORT OF THE PRESIDENT

- Attended the Tribute to Helen Sause celebration sponsored by the Yerba Buena Alliance on October 10th.
- Attended the Four Seasons Hotel Grand Opening on October 11th.

REPORT OF THE EXECUTIVE DIRECTOR

- Information memorandum regarding RFQ for Engineering Services in the Yerba Buena Gardens – 16 responses, 3 deemed unqualified – in the process of scheduling interviews.
- Foreclosure sale of 820 O'Farrell, Court-ordered sale on October 15th.
- San Francisco Business Journal article regarding Governor's veto of AB 1419, transfer of Transbay parcels to the City.
- Represented the Agency at the San Francisco Interfaith Council on a panel with Supervisor McGoldrick and reverend Boyd, also Commissioner Mark Dunlop in attendance.

- Board of Supervisors Committee meeting on October 15th regarding Parcel 732-A, where members of the Western Addition community were in attendance.
- Board of Supervisors meeting on October 15th approving the Namiki Residence transfer.
- Board of Supervisors meeting on October 15th continuing for one week, the matter relating to the transfer of the Octavia Boulevard parcels to the City.
- Scheduled for the November 5th Art Commission meeting, the transfer of the MUNI substation property from the Art Commission to the Agency – requires action by the Board of Supervisors.
- Confirmed that there will be a Commission meeting on November 6th, Election Day.

COMMISSIONERS' QUESTIONS AND MATTERS

- Commissioner Palamountain inquired about the Director's report regarding the Governor's veto of the AB 1419. Ms. Palamountain lent her support for Mary Rogers' idea to place a sign announcing the RFP for Parcel 732-A. Ms. Palamountain inquired about the continuance by the Board of Supervisors of the Octavia Boulevard parcels transfer asking if the Board of Supervisors stated a reason for the continuance.
- Executive Director Rosen reported that the official statement from the Governor's Office was that he was in support of the Transbay project but that CALTRANS already have the administrative authority to transfer property without legislation and the Governor was concerned about the impact upon the Bay Bridge retrofit project. Ms. Rosen informed the Commission that Supervisor Peskin made the motion to continue citing concerns about disposition of other Agency parcels and that the Supervisor has received telephone calls concerning the Plaza Hotel, which gave, rise to his concern. Additionally Supervisor Peskin has asked the City Attorney to include certain conditions in the Board resolution.
- Commissioner Palamountain made a formal motion to continue the Plaza Hotel matter until next week, October 23rd.
- President Yee stated that he did not think the motion was in order. Mr. Yee asked the Parliamentarian for a ruling and the Parliamentarian advised that Ms. Palamountain could make the motion or make a request, pointing out that the earlier motion that was passed did not specify today or another time.

- President Yee asked the Commission Secretary to repeat the earlier motion.
- Commission Secretary Tanjuaquio restated the earlier motion, “Motion to delay consideration of Item 4 (c) pertaining to the exclusive negotiations with TODCO, at a time when all seven Commissioners are present.”
- President Yee understood the motion that was read to mean that consideration of the item would be delayed until Commissioner Foriest Settles’ arrival today.
- Parliamentarian Langdell pointed out that the motion did not mention “today.”
- Commissioner Palamountain explained and clarified that her motion was not about today and offered to withdraw her subsequent motion to formally continue the item to October 23rd. Ms. Palamountain stated the intent of her motion was to the item would be heard again by the Commission.
- President Yee confirmed with the Commission Secretary that the motion did not mention today.
- Commissioner Palamountain withdrew her subsequent motion to formally continue the item to the October 23rd meeting.
- Commissioner Romero expressed his concerns about the Board of Supervisors’ continuance of the Octavia parcels matter and asked the Director to stay abreast of this issue and inform the Commission of any developments. Mr. Romero commented that this is an urgent matter because these are very valuable parcels and are an important component of the Agency’s housing program and explained that the Board of Supervisors has the power to withhold conveyance of the parcels to the Agency.
- Commissioner Dunlop expressed his perplexity about the Board of Supervisors’ delay on transferring the Octavia parcels to the Agency and asked the Director if the Board’s concern is due to the Agency Commission not being competent to deal with the Plaza Hotel matter. Mr. Dunlop asked the Director what her feeling was on the Board’s continuance.

- Executive Director Rosen stated that she did not have a feeling about the Board's decision to continue the matter and that she had not spoken to members of the Board but pointed the Commission to a Board of Supervisors inquiry (in their folders) requesting information about the Commission's vote on the Plaza Hotel at the October 2nd meeting. Ms. Rosen stated that Supervisor Peskin simply asked that the matter be continued for one week and because there was no debate, it was not clear if the continuance coincided with the Commission's consideration of the Plaza Hotel.

**At this time (approximately 5:50 p.m.), Supervisor Chris Daly enters the meeting room and delivers copies of a letter to the Commission Secretary for distribution to the Commissioners.
Supervisor Aaron Peskin also arrives shortly thereafter.**

- Commissioner Dunlop recognized the presence of Supervisor Chris Daly and asked the Chair's permission to allow Supervisor Daly to speak and address the Commission.
- President Yee denied Commissioner Dunlop's request.
- Commissioner Singh informed the Commission and the Director that he has received a facsimile from David Osgood (Rincon Center tenant) regarding his mother and requested the Director to look into the matter and report back to the Commission. Mr. Singh recognized Supervisor Chris Daly and Supervisor Aaron Peskin. Mr. Singh informs the Chair that he will be leaving the meeting early.
- Commissioner King remarked that the Board of Supervisors has its chambers and the Agency Commission has its chambers and there must be respect from both the Board of Supervisors and the Agency Commission. Mr. King explained that if the Board has reservations about the Agency and how it's doing its work, he aims to find out himself as a Commissioner and that other Commissioners can do the same thing and address the Board without putting the burden on the Director. Mr. King commented that a member of the Board coming to the Commission meeting with a letter does not show respect for the Commission and stated that he will call each member of the Board to meet with them about reservations or concerns they have of the Agency. Mr. King pointed out that it is the responsibility of each Commissioner to find out from the Board of Supervisors any concerns they have about the Agency.

- President Yee expressed his appreciation to the public for attending the meeting. Mr. Yee informed the public that the Mayor appoints the Commissioners and are confirmed by the full Board of Supervisor, which mean that the Commissioners are obligated to do a decent job ensuring sound and effective public policies. Mr. Yee explained that as the Chair, he has never stated a preference for for-profit developers over non-profit developers and that he has never discriminated against anyone, pointing out that he is also a minority, a Chinese-American. Mr. Yee advised the public that the Commission does not make arbitrary decisions and puts a lot of effort in making good decisions based on the merits of the projects.
- Commissioner Dunlop asked that he read Supervisor Daly's letter since the Chair did not allow the Supervisor to address the Commission.
- President Yee interjected and explained that without the consensus of the Commission he cannot allow the Supervisor to address the Commission, but if the Commission gives its unanimous consent, he would invite the Supervisor to address the Commission.
- Supervisor Chris Daly addressed the Commission and advised the Commission that the item before them regarding the development of 115 affordable housing units and the Bindlestiff Theater at the Plaza Hotel is of the utmost importance to the people of District 6. Supervisor Daly spoke of the housing crisis in the City and stated that this housing crisis is not to be taken lightly and it is an important part of the Board of Supervisors agenda. Supervisor Daly expressed his appreciation of President Yee's efforts to have a public debate on how level the playing field is between for-profit and non-profit developers, but he believes that the severity of the housing crisis makes it unacceptable to delay action on the Plaza Hotel project. Supervisor Daly urged the Commission to move ahead with awarding the exclusive negotiations with TODCO and at the same time to continue the public debate.
- Supervisor Aaron Peskin stated that no disrespect was meant towards the Commission when the Board of Supervisors continued the matter relating to the Central Freeway parcels, explaining that the legislative calendar is immense and simply did not have the opportunity to confer with the Agency. Supervisor Peskin expressed his highest respect for individual Commissioners as well as the Commission. Supervisor Peskin underscored Supervisor Daly's comments with regard to the Plaza Hotel project, pointing out that this project is beyond the need for affordable housing but indeed is about reviving and maintaining a healthy economy for the City by moving forward with building projects and by creating jobs for San Franciscans. Supervisor Peskin stated that he respects the public debate that the Commission is having on the

development process but, pointed out that generally Boards and Commissions create policies that are enacted that affect future projects, that don't look back and change the rules with projects that are ready to go. Supervisor Peskin stated that the Plaza Hotel is such a project and urged the Commission to reconsider the matter. Supervisor Peskin informed the Commission that he intends to move forward with the Central Freeway parcels with the assurance and knowledge that whomever develops the parcels, whether for-profit or non-profit, that the City is assured that low-income affordable housing units are built as expeditiously as possible.

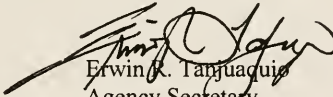
CLOSED SESSION

- (a) Pursuant to Government Code §54956.9(a): Conference with Legal Counsel regarding litigation: Morley, et al. v. Rincon, LLC. et al. San Francisco Superior court Case No.: 319595
- (b) Pursuant to Government Code §54956.8 to instruct the Agency's real property negotiators with respect to price and terms of payment. The property is the Minna Lee Hotel located at 139-149 Sixth Street, Assessor Block No. 3725, Lot 063; South of Market Earthquake Recovery Redevelopment Project Area and the owner of the property with whom the Agency may negotiate with is Kiran Patel. Agency negotiators: Olson Lee, Darby Kremers, Bill Carney, Al Luis and Vanessa Dandridge.
- (c) Pursuant to Government Code §54956.8 to instruct the Agency's property negotiators with respect to price and terms of payment. The property is the Henry Hotel located at 106-112 6th Street, Assessor Block No. 3726, Lot 063; South of Market Earthquake Recovery Redevelopment Project Area and the owner of the property with whom the Agency may negotiate with is Brandt Nicholson, Trustee of the Patel Trust. Agency negotiators: Olson Lee, Darby Kremers, Bill Carney, Al Luis, Sean Spear and Vanessa Dandridge.
- (d) Pursuant to Government Code §54956.8 to instruct the Agency's real property negotiators with respect to price and terms of payment. The property is located at 110-115 Sixth Street; South of Market Earthquake Recovery Redevelopment Project Area and the owner of the property with whom the Agency may negotiate with is Fred and Herta Rautenkranz Living Trust. Agency negotiators: Olson Lee, Darby Kremers, Bill Carney and Vanessa Dandridge.

ADJOURNMENT

It was moved by Mr. King, seconded by Mr. Dunlop, and unanimously carried that the meeting be adjourned. The meeting adjourned at 6:48 p.m.

Respectfully submitted,



Erwin K. Tanguaquin
Agency Secretary

APPROVED:

October 30, 2001

MINUTES OF A REGULAR MEETING OF THE
REDEVELOPMENT AGENCY OF THE CITY AND
COUNTY OF SAN FRANCISCO HELD ON THE
23RD DAY OF OCTOBER 2001

The Commissioners of the Redevelopment Agency of the City and County of San Francisco met in a regular meeting at City Hall, 1 Dr. Carlton B. Goodlett Place, Room 416, in the City of San Francisco, California, at 4:00p.m. on the 23rd day of October 2001, at the place and date duly established for holding of such a meeting.

The President called the meeting to order and on roll call the following answered present:

Benny Y. Yee, President
Leroy King, Vice President
Mark Dunlop (departs @ 4:44 p.m.)
Kathryn C. Palamountain (departs @ 4:44 p.m.)
Ramon E. Romero (departs @ 4:44 p.m.)
Darshan Singh

and the following were absent:

Michal Foriest Settles

The President declared that a quorum was present.

DOCUMENTS DEPT.

Marcia Rosen, Executive Director, and staff members were also present.

SEP 13 2007

Parliamentarian Peter Keane was also present.

SAN FRANCISCO
PUBLIC LIBRARY

Agency Commission Secretary Erwin R. Tanjuaquio announced that an over-flow room has been provided at the north light court with a television monitor at the ground floor of City Hall.

President Yee announced that he received a telephone call from Commissioner Foriest Settles advising that she will not be able to come to the meeting due to the labor negotiations at the BART.

President Yee asked the public to turn off their cell phones and pagers as well as to refrain from talking during the meeting. Mr. Yee also informed the public that prolonged applause would be deemed a disruption of the meeting and asked that the public constrain their applause.

REPORT ON ACTIONS TAKEN AT PREVIOUS CLOSED SESSION MEETING, IF ANY.

- Executive Director Rosen reported that at the October 16th Commission meeting, the Commission met at a closed meeting and by a vote of five to zero, the Commission took the following action: (a) approved a settlement regarding the existing case of Morley, et al. v. BRE/Rincon, LLC et al San Francisco Superior Court Case No. 319595. Ms. Rosen informed the Commission that the plaintiffs are four tenants in the Rincon Center at 88 Howard Street, who sued the Agency and BRE/Rincon seeking a court ruling that they were entitled to remain in their units and pay below market rents despite the fact that they earned incomes above the limits set forth in the Housing Plan and under the Owner Participation Agreement between the Agency and the former owner. Ms. Rosen reported that the Commission authorized the Executive Director to execute the settlement and release agreement on the following terms: BRE/Rincon to pay the plaintiffs the total sum of \$7,500 and no monetary contribution from the Agency and that the plaintiffs are to be bound by the OPA's Housing Plan as revised by the Agency Commission on June 26, 2001. Ms. Rosen informed the Commission that the plaintiffs have waived all claims and dismissed their lawsuit and each side are to bear their own attorney's fees and costs.

President Yee called for the next item on the Agenda.

Executive Director Rosen began to call the unfinished business item below.

MATTERS OF UNFINISHED BUSINESS

- 3 (a)** Resolution No. 179-2001, Authorizing an Exclusive Negotiations Agreement with GP/TODCO-A, Inc., a California nonprofit public benefit corporation, for the disposition and development of the Plaza Hotel, located at 988-992 Howard Street; South of Market Earthquake Recovery Redevelopment Project Area

Commissioner Palamountain interjected and pointed out that the unfinished business item is on the Agenda as a result of a motion adopted at the last Commission meeting stating that the matter would be heard when all seven Commissioners are present and that at this time there are only six Commissioners present and it is not proper to call the item at this time.

President Yee stated that he did not believe that Commissioner Palamountain's comments provide a proper reason to continue the matter. Mr. Yee asked the Parliamentarian for advice.

Commissioner Palamountain raised a point of order stating that the Parliamentarian is not there to give advise to the Commission, pointing out that the Parliamentarian's role is to provide a ruling on procedural matters, but in order to facilitate the discussion, Ms. Palamountain put forth a challenge to the Chair.

Commissioner Romero stated that he also remembered Commissioner Palamountain's motion from the last meeting that this matter on the Unfinished Business Agenda would not be heard until there are seven Commissioners present.

President Yee stated that he wanted to respond to Commissioner Romero's statements.

Commissioner Romero put forth a challenge to the Chair stating that the Chair was taking a position on the debate and that is improper.

President Yee stated that the Chair has a right to respond to Commissioner Romero's statements, arguing that the Commission was not in debate. Mr. Yee asked the Parliamentarian for comments.

Commissioner Palamountain stated that she was entitled to be heard on her challenge to the Chair.

President Yee acknowledged the challenge, stating that the challenge is not in order because the Commission is not in debate and all he was trying to do was to explain to the Parliamentarian the events of last week meeting when another Parliamentarian (Ms. Langdell) in Mr. Yee's opinion, was incorrect in her ruling on Ms. Palamountain's motion.

Commissioner King shared his recollection that the motion made by Commissioner Palamountain at the last meeting was never voted on and therefore the motion did not pass and that it is improper for the item to be on today's Agenda. Mr. King stressed his remembrance that Commissioner Palamountain's motion was never voted on and remarked that if the Commission waited to vote on matters until all seven Commissioners are present, the Commission would not be able to do any of its business.

Commissioner Dunlop recalled the events of the last meeting and described that the motion made by Commissioner Palamountain to delay action on the matter until all seven Commissioners are present was passed with a unanimous consent of the Commission and that when Commissioner Palamountain was making a subsequent motion to continue the matter to the October 23rd meeting, it was deemed by the Parliamentarian that such a motion was not necessary because of the earlier motion that passed. Mr. Dunlop reiterated that the matter would not be heard until such time as all seven Commissioners are present and that as a result of the motion that was passed at the last meeting, the matter can be on the calendar indefinitely.

Commissioner Romero stated that he recalled the events exactly as Commissioner Dunlop did.

Commissioner King stated that he thought the Commission is at a stalemate and recalled differently, that Commissioner Palamountain's motion did not pass. Mr. King recalled that the Commission decided to have a discussion on the motion and to delay action until Commissioner Foriest Settles arrived (at last week's meeting, October 16th).

Commissioner Dunlop referred to a word-for-word transcription of portions of the October 16th meeting prepared by Commission Secretary Tanjuaquio where it clearly stated what Commissioner Palamountain's motion was. Mr. Dunlop asked Commission Secretary Tanjuaquio if copies of the transcription were provided to the Commission.

Commission Secretary Tanjuaquio stated that he prepared the transcription but failed to provide copies to the Commission earlier and distributed copies he brought to the meeting (October 23rd).

President Yee commented that when he spoke to the Executive Director last week, he requested copies of the audiocassette tapes and as of that day (October 23rd), he had not received the tapes.

Executive Director Rosen stated that she was under the belief that the Commission Secretary had provided both the transcript and the tapes to the Commission.

President Yee recalled the discussion at the last meeting where he thought that the Parliamentarian had misinterpreted the motion. Mr. Yee stated that the motion that was made was very ambiguous and contributed to the confusion.

Commissioner Singh understood that the matter was tabled and was not sure why the matter is on the calendar.

Commissioner Palamountain reiterated the events that took place at the previous three Commission meetings with regard to the Plaza Hotel, recalling that when the matter was first calendared on October 2nd, there were only six Commissioners present (with Commissioner Foriest Settles absent), and that there was a tie vote which meant that the resolution failed. Ms. Palamountain shared that at the next meeting of October 9th where all seven Commissioners were present, Commissioner Dunlop made a motion to calendar the matter at the next meeting of October 16th, which motion passed on a vote of six ayes and one no, with Commissioners Foriest Settles voting in favor of placing the matter on the October 16th agenda. Ms. Palamountain described that when the item was called at the October 16th meeting, Commissioner Foriest Settles was not in attendance due to the impending BART strike at that time, and consequently, Ms. Palamountain recalled making a motion to delay consideration of the matter until all seven Commissioners were present to hear

the item. Towards the end of the meeting, Ms. Palamountain recalled making a subsequent motion to formally continue the matter until the next meeting in order to clarify that her intention was for the Commission to definitely hear the matter when all seven Commissioners are present, which motion she withdrew when the Commission Secretary was asked to reread her earlier motion which passed with a unanimous consent of the Commission, pointing out that the transcript prepared by the Commission Secretary reflects the discussion of October 16th. Ms. Palamountain stressed her earlier point of order that the Commission cannot hear the matter until such time as there are seven Commissioners present and since Commissioner Foriest Settles is unable to attend, the matter should be continued to the next meeting or the next when all members are present.

President Yee asked the Parliamentarian to advise the Commission on the motion being discussed and recorded on the transcript of October 16th.

Parliamentarian Peter Keane pointed out that the transcript before the Commission was a discussion that took place toward the end of the October 16th meeting which discussion refers to an earlier discussion of a motion that was made earlier in the meeting and that this earlier discussion is not included in the transcript before the Commission. Mr. Keane suggested that a transcript be prepared of the earlier discussion of Commissioner Palamountain's motion so that he could intelligently advise the Commission on the proper procedure.

President Yee requested the Commission Secretary to prepare such transcript and to have it delivered to Mr. Keane.

Commission Secretary Tanjuaquo responded affirmatively.

Commissioner King asked if there was a motion on the floor and if not, to hear the unfinished business matter since it is on the agenda. Mr. King suggested taking up the matter and voting on it.

Commissioner Palamountain expressed her concern that to hear the matter is improper because there are not seven Commissioners present which was the motion she made at the last meeting in the hopes of having all seven Commissioners present to consider the matter. Ms. Palamountain pointed out that she had raised a point of order and has challenged the Chair's ruling that her point of order was out of order.

Commissioner King suggested the Commission vote on Commissioner Palamountain's challenge of the Chair.

President Yee asked the Commission Secretary to call the roll on Commissioner Palamountain's point of order and challenge to the Chair.

Commission Secretary Tanjuaquio requested Commissioner Palamountain to clarify her challenge to the Chair.

Commissioner Palamountain restated her challenge on the Chair's denial of her point of order that the matter is improperly before the Commission because the motion which enabled the matter to be on the agenda required seven Commissioners to be present.

Commission Secretary Tanjuaquio recited the motion challenging the Chair and proceeded to take a roll call vote.

MOTION: ON THE CHALLENGE BY COMMISSION PALAMOUNTAIN OF THE CHAIR'S DENIAL OF MS. PALAMOUNTAIN'S POINT OF ORDER THAT THE UNFINISHED BUSINESS MATTER 3 (a) PERTAINING TO THE EXCLUSIVE NEGOTIATIONS WITH TODCO IS IMPROPERLY BEFORE THE COMMISSION BECAUSE THERE WERE NOT SEVEN COMMISSIONERS PRESENT AS REQUIRED BY THE PREVIOUSLY ADOPTION MOTION, ON ROLL CALL THE FOLLOWING VOTED "AYE":

Mr. Dunlop
Ms. Palamountain
Mr. Romero

AND THE FOLLOWING VOTED "NAY":

Mr. King
Mr. Singh
Mr. Yee

AND THE FOLLOWING WERE ABSENT.

Ms. Foriest Settles

THE SECRETARY DECLARED THE RESULTS OF THE ROLL CALL VOTE, THREE (3) AYES , THREE (3) NOES, AND ONE (1) ABSENT.

THE PRESIDENT THEREUPON DECLARED THAT THE MOTION FAILED.

President Yee then called for the Unfinished Business item 3 (a).

At this point, approximately 4:44 p.m., Commissioners Dunlop, Palamountain and Romero left the meeting room leaving the Commission without a quorum of a minimum of four members. Only President Yee, Vice-President King and Commissioner Singh remained in the meeting room.

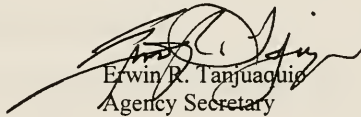
President Yee asked the Parliamentarian as to what the next procedure is.

Parliamentarian Keane informed President Yee that without a quorum, the Commission can no longer transact its business, so the meeting must be adjourned.

President Yee agreed and thanked members of the public for attending the meeting and apologized for the other Commissioners walking out of the meeting.

At approximately 4:45 p.m., the Commission meeting of October 23, 2001 was adjourned due to a lack of a quorum.

Respectfully submitted,



Erwin R. Tanjuatig
Agency Secretary

APPROVED:

November 6, 2001

MINUTES OF A REGULAR MEETING OF THE
REDEVELOPMENT AGENCY OF THE CITY AND
COUNTY OF SAN FRANCISCO HELD ON THE
30TH DAY OF OCTOBER 2001

The Commissioners of the Redevelopment Agency of the City and County of San Francisco met in a regular meeting at City Hall, 1 Dr. Carlton B. Goodlett Place, Room 416, in the City of San Francisco, California, at 4:00p.m. on the 30th day of October 2001, at the place and date duly established for holding of such a meeting.

The President called the meeting to order and on roll call the following answered present:

Benny Y. Yee, President
Leroy King, Vice President
Mark Dunlop (departed @ 8:35 p.m.)
Kathryn C. Palamountain (departed @ 9:05 p.m.)
Ramon E. Romero
Michal Foriest Settles (arrived @ 4:06 p.m.)
Darshan Singh

and the following were absent:

The President declared that a quorum was present.

Marcia Rosen, Executive Director, and staff members were also present.

Parliamentarian Peter Keane was also present.

DOCUMENTS DEPT.

SEP 13 2007

SAN FRANCISCO
PUBLIC LIBRARY

President Yee reminded the public of the Commission meeting rules and asked that cell phones and pagers be turned off. Mr. Yee stated that due to the anticipated number of speakers, there would be a two-minute time limit for each speaker. Mr. Yee informed the public that if the two minutes were not sufficient, the Commission Secretary would gladly accept written testimony.

Agency Commission Secretary Erwin R. Tanjuaquio announced that an over-flow room has been provided in Room 421 for the public.

President Yee stated that the Commission would appreciate it if the public did not disrupt the meeting. Mr. Yee also reminded fellow Commissioners to observe the rules and that each Commissioner has the right to speak but cautioned not to use individual names in their remarks. Mr. Yee expressed his appreciation for the Commission's kind cooperation.

President Yee asked the Executive Director to call the next item on the Agenda.

Executive Director Rosen began to call the unfinished business item below.

MATTERS OF UNFINISHED BUSINESS

- 3 (a) Resolution No. 179-2001, Authorizing an Exclusive Negotiations Agreement with GP/TODCO-A, Inc., a California nonprofit public benefit corporation, for the disposition and development of the Plaza Hotel, located at 988-992 Howard Street; South of Market Earthquake Recovery Redevelopment Project Area

Commissioner Palamountain raised a point of order and pointed out that the motion that put the item on the Agenda was a motion that required all seven Commissioners to be present and there are not seven Commissioners present and requested the Chair to rule in accordance with the motion that was passed to provide for the public's participation and delay consideration of the item in the hopes that Commissioner Foriest Settles will arrive later in the meeting.

President Yee acknowledged Commissioner Palamountain's point of order and indicated that since the Parliamentarian had not yet arrived, the Chair deemed it necessary for the item to be discussed and not to delay the matter further. Mr. Yee stated that this was not the correct way to proceed and denied Commissioner Palamountain's request.

Commissioner Palamountain appealed the ruling of the Chair.

Commissioner Romero seconded the appeal.

President Yee called on the Commission Secretary to call the roll on the appeal.

Commissioner Romero raised a point of information and stated that it would be helpful for the Commission to know whether or not Commissioner Foriest Settles is planning to be in attendance.

President Yee asked the Executive Director for information regarding Commissioner Foriest Settles' attendance.

At this time, approximately 4:06 p.m. Commissioner Foriest Settles arrived.

President Yee announced the arrival of Commissioner Foriest Settles.

Commissioner Palamountain withdrew her point of order and appeal.

President Yee pointed out to the Executive Director that she did not call Item 2 on the Agenda, Report on Actions Taken at Previous Closed Session meeting, if any.

Executive Director Rosen affirmed and reported that there were no such actions.

President Yee asked the Executive Director to call the Unfinished Business item.

Presenters: Vanessa Dandridge (Agency staff)

Commission Secretary Tanjuaquio reminded the public that the President had established a two-minute time limit for each speaker.

Speakers: Jim Berk, Antoinetta Stadlman, Chrystene Ells, Dr. Theo Gonzalves, Dawn Mabalon, Dr. Jay Gonzales, Jeannie Barroga, Tony Williams, Allan S. Manalo, Dr. Allyson Tintiangco Cubales, Professor Danilo Begonia, professor Dan Gonzales, Arturo Garcia, Michell Arellano, Olivia May Malabuyo, Lorna Aquino Chui, Dan Weil, Eileen Tabios, L. A. Renigen, Theresa De La Cruz, Evangeline McMillon, David Alabach Judith Baker, Donna Rowles, Ly Nguyen, Mitchell Yangson, Jeffrey Leibovitz, Malou Babilonia, Dennis G. Mesina, John Elberling, Mark Marking, Hayato Yoshida, Bernadette Borja-Sy, Jonah Copi, Joshua F. Castro

All of the above speakers were in support of approving the item, except for Jim Berk who spoke in opposition.

President Yee thanked everyone who testified especially members of the South of Market PAC who have dedicated many hours on the Plaza Hotel matter. Mr. Yee expressed the Commission's appreciation to all involved. Mr. Yee stated that as a member of the Commission and as Chair, he had the responsibility of ensuring sound public policies and moreover, the Commissioners who are appointed by the Mayor and confirmed by the Board of Supervisors have the duty, responsibility and obligation to all of the citizens of the City and County of San Francisco. Mr. Yee stated that an uneven playing field was created to meet an affordable housing crisis that befell the City, following the Loma Prieta earthquake on October 17, 1989. Mr. Yee stated that since that time, non-profit developers were selected by the Agency to produce replacement and new affordable housing units in the South of Market area, and these non-profits have gained substantial experience during the last twelve years and continue to gain greater experience due to their first consideration status making them the only qualified developers. Mr. Yee stated that the system which created this situation have benefited a few non-profit developers for having ground rules that has given non-profits a structural advantage resulting in the preferential selection of non-profits to develop all affordable housing in South of Market. Mr. Yee stated that the

Agency has created a system that continuously benefits those who existed twelve years ago by giving them first consideration which is compounded by having the Agency establish developer experience standards that only those who benefited in the past can meet. Mr. Yee reasoned that is why there was only one respondent to the RFP for the Plaza Hotel, explaining that out of 45 or 50 potentially experienced developers, the Agency's public policies have created a monopoly for a few. Mr. Yee declared that this was a flawed public policy. Mr. Yee stated that the Agency has tolerated a system that is sub-structurally biased to perpetuate existing preferences, which were created in response to an emergency situation twelve years ago. Mr. Yee submitted that some people may argue that the aftermath of the Loma Prieta earthquake still requires first consideration of non-profits in the South of Market Project Area and others may argue that a new emergency has emerged that reflects on the need to take extraordinary measures to correct past deficiencies. Mr. Yee cited as an example, President Bush signing into law the Anti-Terrorism legislation that was recently passed by both houses of Congress, pointing out that this was done immediately so as to set aside their narrow concerns to put the overall interest of the country first. Mr. Yee pronounced that it was time to set aside the narrow interests of the few, who through their insistence to retain preferences that are over twelve years old, will preclude the reasonable participation of others who should be given the opportunity to productively build affordable housing and to gain experience to extend the Agency's ability to produce much needed affordable housing. Mr. Yee recalled that Senator Burton sponsored SB 2113 signed by Governor Davis, which provides the Agency an additional \$200 million to build affordable housing in San Francisco. Mr. Yee stated that this provides plenty of opportunity for qualified developers in the City. Mr. Yee commented that as a trustee of the public interest, he is duty bound to correct the past flaws in the public policy to protect and further the public interest as that is the duty and obligation of the Agency Commissioners.

Commissioner Romero thanked everyone who came to the meeting as well as the previous three meetings and stated that this was obviously a very important matter for the community. Mr. Romero commented that he did not come with prepared remarks so as to keep an open mind but acknowledged his previous votes on the matter as a sign of his support to authorize exclusive negotiations with TODCO for the disposition and development of the Plaza Hotel. Mr. Romero recalled that in previous debates, he had observed that the discussion has gone from what was a narrow decision to a much broader debate about public policy issues. Mr. Romero reminded the Commission that the matter before the Commission is a vote to authorize exclusive negotiations for the disposition and development of the Plaza Hotel and not a vote to decide how the Agency is going to deal with, as a matter of policy, in the months and years to come, on the development of affordable housing. Mr. Romero stated that he would welcome that debate in the future and has an open mind to it, and would support any positive suggestions for development

that would help the Agency address the urgent needs of the populace that would be addressed by the Plaza Hotel project. Mr. Romero recalled his past three and a half years as a Commissioner and remarked that for his first six months, it seemed like he needed a screen in front of his seat to dodge the public criticisms on the Agency's passed sins, in the South of Market with the Filipino-American community and in the Western Addition with the African-American community. Mr. Romero stated that he would be very cautious in rendering a vote that may harm any community in San Francisco let alone one that everybody seems to agree has been harmed substantially by actions of the Agency in the past. Mr. Romero stated that he was the one who said that the Plaza Hotel matter was a "no-brainer" because as an exclusive housing decision, it was a narrow project that was entirely consistent with the policies of the Agency for many years. Mr. Romero reiterated his willingness to have the public debate on the process, but pointed out that even if the Commission were to approve the matter, there will be ample opportunity along the process to stop the project if the Commission thought that the project was not being done correctly and in accordance with the policies of the Agency. Mr. Romero pointed out that the action before the Commission was to simply begin the negotiations with TODCO that would lead to a development deal and so forth. Mr. Romero repeated the sentiments of some of the public speakers that there was no valid reason to vote the matter down. Mr. Romero stated that the project has overwhelming support from the community, the PAC and leaders of community organizations and in the past the Commission has voted in favor of such support and that the project is in fact consistent with Agency policies. Mr. Romero stated that he was obligated to vote in favor of the expressed wishes of those members of our City whom has taken the time to come to the meeting and eloquently express their position. Mr. Romero remarked that he does not know how anyone can vote against such stated support. Mr. Romero commented that this project is not just a housing opportunity but indeed an opportunity to build a community, which is what the Agency should be about and not to destroy communities but to help build communities. Mr. Romero expressed that there was no illusion in his mind that both the housing and theater components of the Plaza Hotel project are vital in the community building environment and either one will receive a favorable vote from him. Mr. Romero appealed to the Commission that if it was going to change Agency policies, to not do that at that meeting on that one action on the Plaza Hotel project and if private developers want to have the opportunity to develop affordable housing, he would invite them to step up to the podium and speak to the Commission of how the process has been unfair to them. Mr. Romero recalled that the Commission held a workshop on the RFP process and remembered that there were only three or four people who testified and he did not hear one specific complaint about the Agency's bidding process. Mr. Romero stated that minor revisions were made to the RFP suggested by staff and the Commission but has not yet heard from the private development community directly, as to how the process has been unfair to them, and until he hears that he cannot possibly say no to a project

like the Plaza Hotel and felt that it would be irresponsible to do so. Mr. Romero expressed that a no vote which delays the project would not change Agency policies and would hurt TODCO who has spent considerable time, effort and expense to work on this project as well the residents and the theater, which is the only Filipino-American theater in the country.

President Yee reminded the Commission Secretary to keep time for Commissioners' remarks.

Commissioner Dunlop remarked that he is a process person and has noted four violations of Robert's Rules of Order and stated that he was looking forward to the discussion on the merits of the project and in order to facilitate the process, he made a motion to approve the exclusive negotiations with TODCO for the disposition and development of the Plaza Hotel.

Commissioner Romero seconded the motion.

Commissioner Dunlop recalled that the Commission has had a lot of debate about non-profits, for-profits and the RFP process, but that all of that discussion has nothing to do with the matter before the Commission. Mr. Dunlop repeated the year-long process on the Plaza Hotel, reminding the Commission that it authorized the purchase of the property and the issuance of the first RFP back on August 22, 2000, and on November 11, 2000, the Agency received responses from two developers, after the RFP was sent to 25 non-profit developers and 19 for-profit developers. Mr. Dunlop stated that on March 21, 2001, a second RFP for the Plaza Hotel was issued and on May 29, 2001 the Agency received only one response from TODCO. Mr. Dunlop pointed out that there were no complaints from the Commission about the RFP throughout the yearlong process, until the authorization of exclusive negotiations with TODCO was before the Commission. Mr. Dunlop reiterated that the Commission authorized the issuance of the RFP and let the process go forward with no complaints or revisions to the RFP process. Mr. Dunlop reminded the Commission that what they were voting on was the exclusive negotiations with TODCO, an organization who has complied with all of the requirements of the RFP that was authorized by the Commission. Mr. Dunlop recalled that one of the allegations against TODCO was that it had a monopoly in South of Market, and referred to an informational memorandum which indicated that out of 30 developments in South of Market and Yerba Buena Center, only eight developments were by TODCO and that this simply did not represent a monopoly. Mr. Dunlop pointed out that what is a monopoly is the over 70% of development by private developers in the City, but definitely not TODCO and definitely not the non-profits. Mr. Dunlop stated that another reason he heard for not awarding TODCO the exclusive negotiations was that TODCO was the lone respondent to the Plaza Hotel RFP. Mr. Dunlop shared that this was not unusual at all, that the Agency has awarded development rights to single respondents to several projects, pointing

out that TODCO met and exceeded every requirement the Agency requested for the Plaza Hotel. Mr. Dunlop stated that San Francisco has a housing crisis and that since the housing proposed for the Plaza Hotel is entry-level housing for homeless people, the Agency has the potential of taking away some of the misery of homelessness by approving the Plaza Hotel project, and that any delay of the 115 units adds to someone's misery, adds another day in the rain, and adds another day in a rat-infested tenement. Mr. Dunlop pleaded with the Commission not to delay the production of these badly need housing units, to support TODCO, and to vote for the project, and to have the discussion about the larger process at a future date.

Commissioner King stated that he has not changed his position on the matter and did not support TODCO. Mr. King recalled the struggle of Carmen's Filipino restaurant that used to be on Fourth and Channel Streets and how he helped with finding another location for the restaurant, and thankfully the restaurant has a new home next to the new PacBell Park. Mr. King explained that the Plaza Hotel project is not about the Filipino-American community and shared that he had been struggling to fight for Filipino-Americans and other minorities throughout his life, that he was opposed to TODCO having a monopoly and the way the RFP is written which gives preference to non-profits like TODCO. Mr. King informed the public that he was going to vote against the item and advised that he believed that the Filipinos should have their own development company, and not TODCO. Mr. King encouraged the Filipino-American community to form their own development team and again recalled the struggle with Carmen's restaurant and reasoned that he was not against the Filipino-American community, but against the monopoly by TODCO. Mr. King recalled his previous position and stated that he would be voting against the item.

Commissioner Singh expressed his appreciation for having met many nice people from Bindlestiff Studio, including Mark Marking, Monica, Chrystene Ells, and Mr. Marquez. Mr. Singh shared that he spoke with the Executive Director about how long it would take to re-issue the RFP for the Plaza Hotel and was assured that it would not take more than a couple of months. Mr. Singh assured the theater that he would not vote on any proposal that did not include the theater. Mr. Singh commented that he did not know how the vote was going to go, but indicated that he would like to see a stipulation in any development proposal to include the theater.

President Yee advised the public that none of the Commissioners spoke against the theater and shared that three weeks ago, he and the Executive Director met with the head of the Filipino-American Chamber of Commerce to help them find office space along the Sixth Street corridor. Mr. Yee stated that it is the Commission's duty and obligation to assist the community and assured the Filipino-American community that whomever develops the Plaza Hotel, there will be space provided for the theater.

Commissioner Palamountain thanked her fellow Commissioners for agreeing to rehear the matter with all seven Commissioners present. Ms. Palamountain stated that Commissioners Dunlop and Romero have commented well, and added that there has been a meticulous and well documented RFP process where staff informed the Commission of the one response from TODCO and gave the Commission the opportunity to change any part of the RFP, including re-issuing the RFP to have more bidders. Ms. Palamountain recalled that throughout that process, no Commissioner stated any disconcerting ideas about the process, offered no suggestions to staff about how to change it, and gave no notice to staff that there was a problem with the RFP. Ms. Palamountain stated that this was the essence of a public process that went awry, when no notice was given that there was a problem and staff was allowed to move forward on the process and criticisms are held back until the very last moment. Ms. Palamountain addressed the allegation of a monopoly by TODCO and shared that she used to work near Sixth Street and have visited the corner of Sixth and Howard Streets and observed three housing developments by the non-profit Asian Inc., at least two, possibly three developments by Mercy Charities and four to five private developments within a two to three block radius. Ms. Palamountain offered these facts about the alleged monopoly by TODCO. Ms. Palamountain thanked Commissioner Dunlop for reminding everyone about other Agency-sponsored developments where there were only one respondent to the offerings and recalled that Metreon was one such development (asked the Executive Director for confirmation and correction).

Executive Director Rosen asked to call Deputy Executive Director Helen Sause to provide a response.

President Yee called Ms. Sause to the podium.

Deputy Executive Director Sause stated that there were five respondents to the Metreon project and it was the Four Seasons Hotel project where there was only one respondent.

Commissioner Palamountain stated that the appropriate time to bring up the fairness issue about the RFP is at the time of issuance so that people do not go through the time and expense of responding to an RFP that is ultimately declared unworthy. Ms. Palamountain stated that she has not heard any suggestions on changing the RFP that would be consistent with existing law and remarked that she would not be willing to issue an RFP that is illegal. Ms. Palamountain expressed her concerns about the repeated no votes on the RFP process and that no one has talked about the Plaza Hotel residents who are worried about their housing, the commercial space and the non-profit tenants. Ms. Palamountain stated that after a year long process where the Agency has been the landlord for the Plaza Hotel, she was unwilling to further

delay the development of the 115 housing units. Ms. Palamountain expressed her thanks to staff for the excellent presentation and stated that the substance of the matter is the future ownership structure of the Plaza Hotel whether or not the exclusive negotiations are approved. Ms. Palamountain encouraged TODCO to continue to work with staff on the ownership of the Plaza Hotel. Ms. Palamountain expressed her support for affordable housing in particular, 115 units of affordable housing that includes supportive housing components that moves people from the streets and gives them a change to succeed in attaining the housing they need. Ms. Palamountain commented that the sole testimony against TODCO criticized TODCO because it had developed 400 square-foot studios, rather than 200 or 100 square-foot units, and commented that if the Agency is going to support housing, it should support habitable and quality housing and not force people of any economic circumstance to live in inhumanely cramped conditions. Ms. Palamountain stated that although she was not fully aware of the theater's role in the community, she had come to learn more about the theater and its constituents, that in addition to provided the much needed youth support and cultural services, the theater contributes to the vitality of the community as evidenced by their presence at the Commission meetings. Ms. Palamountain thanked members of the public and recalled Dr. Theo Gonzalves' concerns about democracy not working in the Agency's process, and offered the perspective that in fact democracy has been well served because it is the public that protects democracy and not the seven members of the Commission. In this case, members of the public have done an honor to democracy by participating in an articulate, educated and substantive way. Ms. Palamountain addressed the public and stated that the members of the public here are democratic heroes and thanked them for coming to the meeting.

Commissioner Romero commented that he had not heard anything said in opposition to the project that has changed his position. Mr. Romero stated that the allegations of a monopoly by TODCO is not supported by any facts whatsoever. Mr. Romero recalled that the Commission solicited and received information from staff about housing developments in South of Market that indicated developments by numerous non-profits and for-profits, including Asian Inc., Mercy Charities, Tenderloin Neighborhood Development Corporation, TODCO and Emerald Fund which substantiates Commissioner Dunlop's earlier analysis that TODCO and non-profits do not have a monopoly in South of Market. Mr. Romero shared that there is a shrinking economy in which private developers were no longer building the expensive lofts and other structures, and that there is an affordable housing opportunity for a non-profit developer who had developed a niche for such affordable housing in South of Market probably as a result of the Yerba Buena Center Redevelopment Project Area. Mr. Romero remarked that during a healthy robust economy, private developers are neither concerned about nor interested in the types of affordable housing proposed for the Plaza Hotel. Mr. Romero shared that he was a renter in the City until recently and did not recall his

landlord every giving a Halloween party for the tenants (as TODCO had testified it did). Mr. Romero stated his support for the idea of a Filipino-American development organization to do similar developments, but opined that at this time, that would not address the current need of community. Mr. Romero shared that the Agency has had a parcel of land in the Western Addition where a specific type of developer was selected to develop the property and was not able to do so for over eleven years. Mr. Romero remarked that a Filipino-American developer could probably be found somewhere in the world that is willing to develop the Plaza Hotel, but questioned whether it would necessarily be qualified. Mr. Romero pointed out that there is a qualified developer in TODCO, who has a proven track record on affordable housing development, and has tremendous support from the community.

Commissioner Foriest Settles commented that she heard a recurring theme among the speakers that the community would lose the theater and asked the Executive Director for a response.

Executive Director Rosen informed the Commission that there is no current action on behalf of the Agency or the Agency's property manager to disrupt the current tenancy of the theater.

Commissioner Foriest Settles informed the public that she has been for the past few weeks, preoccupied with her own crisis at the BART and remarked that after reading the minutes and listening to the tapes, she was saddened with the events that took place. Ms. Foriest Settles commented that the labor negotiations were pleasant compared to the previous Commission meetings. Ms. Foriest Settles advised the Commission Secretary of outside contact as part of the disclosure policy, a letter from Supervisor Chris Daly and a videotape from Bindlestiff Studio. Ms. Foriest Settles observed there were two things that the Commission seemed to agree upon, the need for the affordable housing and retaining the theater to maintain the cultural vitality of the community, which is evidenced by the testimony from the artists and performers as well as the videotape. Ms. Foriest Settles shared her approach of "systems thinking" referring to Senge's book called the "The Fifth Discipline" and recommended the book to the students in the audience. Ms. Foriest Settles shared that the book stresses the idea that one does not make decisions in snapshots, that one looks at the whole, looks at interrelationships as one goes forward, and that means that sometimes, the snapshot result might not be the expected outcome because it does not provide the expected reward, but that the decision in the long run, would provide for the whole. Ms. Foriest Settles expressed that this was the theme from where she was coming from in deciding the matter. Ms. Foriest Settles recalled numerous discussions about the housing need and the need for cultural facilities, which she agreed with and stated that these are important elements of a community, but that she had not heard any mention of jobs. Ms. Foriest Settles commented that people

may have a place to live and a sense of culture, but without jobs it does not provide for the full picture of a community. Ms. Foriest Settles shared that even people with housing are feeling the housing crisis because of the downturn of the economy and expressed her concerns that in light of the housing crisis, the Agency/City needed to look at doing things differently and find other ways of accomplishing the goal of providing affordable housing. Ms. Foriest Settles stated that she has heard a lot of discussion about maintaining the status quo, that there is this organization with a good track record and about the Agency's process for selecting that developer, but she has also heard from some of the Commissioners that there exists the potential that other groups did not have the opportunity to bid on the project. Ms. Foriest Settles asked if these groups were being left out and remarked that she was coming from a totally different perspective on this matter. Ms. Foriest Settles stated that she had a proposal to the Commission, which she gleaned from the Mayor's State of the City Address on October 22nd, which partially stated that the Agency should not just be the City's financing agency for affordable housing, but that the Redevelopment Agency go into the business of building affordable housing and that the Agency can do it quicker with better cost efficiency and there would no question as to the affordability of the housing, because there would not be the opportunity for anyone to make a profit in the process. Ms. Foriest Settles stated that the Mayor's address talked about the opportunity for the Agency with the CalTrans properties that the City is about to get. Ms. Foriest Settles commented that her sense was that civil servants, for whatever reason, had not historically gotten a lot of respect but that the events of September 11th proved that civil servants, given the opportunity, can excel beyond our imagination and recalled that the Commission has continuously praised the Agency's excellent staff and based upon that, she had a proposal for the Commission's consideration. Ms. Foriest Settles put forth the following proposal: "That the Redevelopment Agency establish an internal mechanism and process for the Plaza Hotel and any other future developments of housing potentially using joint venture efforts with other public agencies, Housing Authority or whomever we need to have those relationships with, the status of this motion will also require the Executive Director to report at weekly established meetings on the status of this process." Ms. Foriest Settles explained that the reason for the different paradigm shift is to provide for an approach that allows for long-term establishment of jobs and benefits for San Francisco residents that is going to broaden the expertise of the Redevelopment Agency, and thought that the time is now. Ms. Foriest Settles stated that the Agency currently does not have a financial obligation or legal obligation with anyone, and that if the Agency does not undertake this role now, when would it. Ms. Foriest Settles stated that this was her point of view as it related to the Plaza Hotel project.

Commissioner Dunlop requested Commissioner Foriest Settles to repeat her motion. Commissioner Foriest Settles did so.

President Yee stated that there was a motion on the floor.

Commissioner Dunlop pointed out that there was a motion and a second to adopt item 3 (a) and asked if Commissioner Foriest Settles' proposal was an amendment to the first motion.

President Yee stated that it was not an amendment.

Commissioner Dunlop stated that there might be a Brown Act problem because the motion or proposal was new and different and has not been noticed. Mr. Dunlop stated that if the proposal was an amendment, then the Commission could consider it.

President Yee stated that it was not amendment.

Commissioner Dunlop again pointed out that there was a motion and a second so there could not be another motion on the floor until the first motion was acted upon.

President Yee stated that Commissioner Foriest Settles did not make a motion.

Commissioner Dunlop affirmed.

President Yee stated that Commissioner Foriest Settles did make a motion.

Commissioner Dunlop asked Commissioner Foriest Settles for direction on her motion, and stated that there was a vote for exclusive negotiations with TODCO and asked what was the Commission supposed to do next.

President Yee inquired with the Parliamentarian as to the proper procedure.

Parliamentarian Peter Keane stated that he was following in the same vein as Commissioner Dunlop and explained that the Commission has two options, first Commissioner Foriest Settles' motion was offered as a substitute resolution and second, as an amendment to the main motion on the floor.

President Yee asked the Parliamentarian to repeat his explanation.

Parliamentarian Keane stated that Commissioner Foriest Settles' motion could be treated as a substitute resolution, an amendment to the main motion or simply a matter of information for the Commission to consider at a future time. Mr. Keane asked through the Chair, if Commissioner Foriest Settles would provide a clarification.

President Yee stated that Commissioner Foriest Settles' motion was actually an informational item for the Commission.

Commissioner Dunlop asked if Commissioner Foriest Settles would clarify her motion, so that he would know how to proceed.

Commissioner Foriest Settles stated that her concern was to offer for consideration her thoughts on the matter and that she was aware that there was a motion and a second when she made her statements. Ms. Foriest Settles stated that she would like at a future meeting to have a discussion and a vote on her proposal.

Commissioner Dunlop thanked Commissioner Foriest Settles for the clarification and stated that he was glad to hear a different perspective and a fresh new way of looking at things. Mr. Dunlop pointed out that there has been a two-year long process on the Plaza Hotel and at that late date, the project was being derailed and asked the Commission to look at the merits of the Plaza Hotel project and have a discussion on Commissioner Foriest Settles' proposal at a future time. Mr. Dunlop stated that he had not heard any good argument against the Plaza Hotel and TODCO and stated that TODCO does not have a monopoly and pointed out that TODCO has met and exceeded every requirement that the Agency asked for. Mr. Dunlop explained that TODCO has a good training program, that it has always brought a social service component into its developments that provide job training and placement. Mr. Dunlop urged the Commission to listen to the Project Area Committee whom have spoken strongly in support of the project and to listen to the Filipino-American community which is often not listened to even though it comprises a large segment of the City. Mr. Dunlop recalled being dubbed a "bleeding heart" by one of the Commissioners and gladly accepted that nomenclature because when he goes to Sixth Street, his heart bleeds, and when he sees the broken glass and the broken hearts, his heart bleeds. Mr. Dunlop hoped that other Commissioners' hearts also bleed and asked the Commission to vote for the Plaza Hotel project.

Commissioner Palamountain stated that she had also read the Mayor's State of the City Address and was intrigued by the ideas put forth for the Agency. Ms. Palamountain stated that she has been one of the more vocal Commissioners in praising the Agency's competent and excellent housing staff and explained that she would want to set up the Agency staff, to succeed in such a challenging venture as changing the role of the Agency from facilitating and participating in affordable housing development to actually being the developer of affordable housing. Ms. Palamountain stated that the idea is worth looking at, but that in order to succeed, the Agency has to take time to evaluate the new role for staff, to analyze the impact on financing and to look at what capacities the Agency has to develop. Ms. Palamountain cited an example of the fact that only non-profit developers can access tax credits, which is the primary means for financing affordable housing, and pointed out that this was excellent financing because the Agency and the non-profits can

use State and sometimes Federal monies instead of the Agency or the City. Ms. Palamountain referred to Commissioner Foriest Settles' earlier question of when the Agency should embark upon such a venture, and recalled that the Mayor's address provided an answer, which was when the Agency receives the CalTrans parcels from the State. Ms. Palamountain stated that the CalTrans parcels are very different from the Plaza Hotel project in that those parcels do not have existing tenants nor do they have a theater with leaking pipes and substandard infrastructure. Ms. Palamountain expressed her support and willingness to consider Commissioner Foriest Settles' proposal, but offered to heed the Mayor's direction in his address to undertake the suggested new role for the Agency for the CalTrans parcels. Ms. Palamountain pointed out that the Mayor's address was on October 22, 2001, and that everyone in the City was aware the Plaza Hotel project was at issue before the Agency Commission and at that time, if the Mayor wanted the Agency to reconsider the Plaza Hotel project, that perhaps he would have mentioned it specifically in his address. Ms. Palamountain expressed her continued support for the Plaza Hotel and explained that the Agency is currently a landlord with existing tenants, an existing commercial space, and an art space, and urged the Commission to move forward with the project.

Commissioner King commented that Commissioner Foriest Settles' proposal was to start with the Plaza Hotel and other Commissioners were restating the intent of her proposal. Mr. King stated that the way to go was for the Commission to vote down TODCO and have Commissioner Foriest Settles' proposal take effect immediately. Mr. King pointed out that the Agency has the staff to do what the Mayor has suggested and repeated that the proper way to proceed was to vote down TODCO and have Commissioner Foriest Settles' motion take effect.

Commissioner Palamountain called for the question.

President Yee advised that the Chair had the floor. Mr. Yee began to make a speech.

Commissioner Romero asserted a point of order in that the Chair was setting out to make a third speech while other Commissioners were limited to two speeches.

President Yee explained that he was simply making a clarification.

Commissioner Romero stated that he did not object earlier to the Chair's prepared speech advocating his position, while the Chair has limited other Commissioners' speeches.

President Yee ruled Commissioner Romero out of order and sought the advice of the Parliamentarian.

Parliamentarian Keane stated that he heard Commissioner Romero raise a point of order, but that he did not hear the point of order.

Commissioner Romero explained that the Chair made a ruling that each Commissioner has two speaking opportunities and the Chair was about to embark upon a third speech, and that was improper.

President Yee asserted that Commissioner Romero was wrong and asked the Parliamentarian for a ruling.

Parliamentarian Keane stated that with respect to Commissioner Romero's point of order, he had not yet heard what the Chair was going to say. Mr. Keane advised that if the Chair was going to make statements as to the posture of the debate, the Chair would be in order, but if the Chair was going to address the merits of the question or the substance of the question, then the Chair would indeed be exercising his speaking right for a third time and the Chair would be out of order.

President Yee acknowledged the Parliamentarian's ruling and stated that the Commissioners were skeptical about the residents and commercial tenant of the Plaza Hotel.

Commissioner Romero interjected and stated that the Chair was speaking to the substance of the matter. Mr. Romero raised a point of order that the Chair was speaking to the substance.

Commissioner Foriest Settles called for the question.

President Yee asked the Commission Secretary to call the roll.

ADOPTION: IT WAS MOVED BY MR. DUNLOP, SECONDED BY MR. ROMERO, THAT ITEM 3 (a) RESOLUTION NO. 179-2001, AUTHORIZING AN EXCLUSIVE NEGOTIATIONS AGREEMENT WITH GP/TODCO-A, INC., A CALIFORNIA NONPROFIT PUBLIC BENEFIT CORPORATION, FOR THE DISPOSITION AND DEVELOPMENT OF THE PLAZA HOTEL, LOCATED AT 988-992 HOWARD STREET; SOUTH OF MARKET EARTHQUAKE RECOVERY REDEVELOPMENT PROJECT AREA, BE ADOPTED AND ON ROLL CALL, THE FOLLOWING VOTED "AYE:"

Mr. Dunlop
Ms. Palamountain
Mr. Romero

AND THE FOLLOWING VOTED "NAY":

Mr. King
Ms. Forrest Settles
Mr. Singh
Mr. Yee

AND THE FOLLOWING WERE ABSENT.

THE SECRETARY DECLARED THE RESULTS OF THE ROLL CALL VOTE, FOUR (4) NOES , AND THREE (3) AYES.

THE PRESIDENT THEREUPON DECLARED THAT THE MOTION FAILED.

At this time the Commission took a five-minute recess.

MATTERS OF NEW BUSINESS

CONSENT AGENDA

Item 4 (a) below was removed from the Consent Agenda at the request of Commissioner Forrest Settles, and was considered as a separate item.

- 4 (a) Approval of Minutes: Meetings of October 9 and 16, 2001
- 4 (b) Resolution No. 187-2001, Authorizing a Third Amendment to the Housing Opportunities for Persons With AIDS Capital Loan Agreement with 4445 Third Street Associates, a California limited partnership, to modify the Schedule of Performance to extend the time to complete new construction of 30 units of affordable rental housing at 4417-23 and 4445 3rd Street; Bayview Hunters Point Survey Area
- 4 (c) Resolution No. 188-2001, Authorizing a Second Amendment to the Owner Participation Agreement and the Housing Opportunities for Persons With AIDS Capital Loan Agreement with the Housing Services Affiliate of Bernal Heights Neighborhood Center, a California nonprofit public benefit corporation, to modify the Schedule of Performance to extend the construction completion date for rehabilitation and new construction of 1652 Eddy Street; Western Addition Area A-2 Redevelopment Project Area

ADOPTION: IT WAS MOVED BY MR. KING, SECONDED BY MR. DUNLOP, AND UNANIMOUSLY CARRIED (MR. SINGH ABSENT) THAT CONSENT AGENDA ITEMS 4 (b) RESOLUTION NO. 187-2001, AUTHORIZING A THIRD AMENDMENT TO THE HOUSING OPPORTUNITIES FOR PERSONS WITH AIDS CAPITAL LOAN AGREEMENT WITH 4445 THIRD STREET ASSOCIATES, A CALIFORNIA LIMITED PARTNERSHIP, TO MODIFY THE SCHEDULE OF PERFORMANCE TO EXTEND THE TIME TO COMPLETE NEW CONSTRUCTION OF 30 UNITS OF AFFORDABLE RENTAL HOUSING AT 4417-23 AND 4445 3RD STREET; BAYVIEW HUNTERS POINT SURVEY AREA, AND 4 (c) RESOLUTION NO. 188-2001, AUTHORIZING A SECOND AMENDMENT TO THE OWNER PARTICIPATION AGREEMENT AND THE HOUSING OPPORTUNITIES FOR PERSONS WITH AIDS CAPITAL LOAN AGREEMENT WITH THE HOUSING SERVICES AFFILIATE OF BERNAL HEIGHTS NEIGHBORHOOD CENTER, A CALIFORNIA NONPROFIT PUBLIC BENEFIT CORPORATION, TO MODIFY THE SCHEDULE OF PERFORMANCE TO EXTEND THE CONSTRUCTION COMPLETION DATE FOR REHABILITATION AND NEW CONSTRUCTION OF 1652 EDDY STREET; WESTERN ADDITION AREA A-2 REDEVELOPMENT PROJECT AREA, BE ADOPTED.

Following adoption of Consent Agenda Items 4 (b) and (c), the Commission considered Item 4 (a).

4 (a) Approval of Minutes: Meetings of October 9 and 16, 2001

Commissioner Foriest Settles referred to the bottom of page 5 of the October 9th minutes and asked if her request for children's demography in Mid-Market have been provided.

Executive Director Rosen stated that she would look into the matter and provide the requested information.

Commissioner Foriest Settles asked about the October 16th minutes referring to Commissioner Romero's statements (page 3) regarding his suggestion to revise the October 2nd minutes.

Commission Secretary Tanjuaquio informed the Commission that the October 2nd minutes had not been approved by the Commission and would not be before them until all Commissioners had the opportunity to listen to the October 2nd meeting tapes. At the October 23rd meeting, Commissioner Romero provided copies to the Commission of his suggested revisions to the October 2nd minutes. Mr. Tanjuaquio stated that copies of Commissioner Romero's suggested revisions were provided in the Commissioners' packets.

Commissioner Foriest Settles stated that she did not see the suggested revisions in her packet and asked that a copy be provided.

President Yee explained that the October 2nd minutes were not approved by the Commission until all of the Commissioners had the chance to listen to the tapes and that he has personally listened to the tapes and that the Commission Secretary accurately recorded the minutes. Mr. Yee expressed his view that there is no need to revise the October 2nd minutes.

Commissioner Foriest Settles pointed out a typographical error on page 11 of the October 16th minutes.

Commissioner Romero explained that his reason for suggesting revisions to the October 2nd minutes was to properly characterize his statements during the debate.

President Yee suggested that Commissioner Foriest Settles listen to the tapes.

Commissioner Foriest Settles inquired as to her participation in voting for the approval of the October 16th minutes, since she was not in attendance.

Parliamentarian Keane advised that Commissioner Foriest Settles could not vote on the October 16th minutes since she was absent.

President Yee entertained a motion to adopt item 4 (a).

Commissioner Foriest Settles put forth a motion to adopt item 4 (a).

Commission Secretary Tanjuaquio inquired if it was appropriate for Commissioner Foriest Settles to move the item regarding the minutes since she was not in attendance at the October 16th meeting.

Parliamentarian Keane advised that since Commissioner Foriest Settles was absent at the October 16th meeting, another member of the Commission should make the motion.

Commissioner King put forth a motion to adopt the minutes of October 9th and 16th. Commissioner Dunlop seconded the motion.

ADOPTION: IT WAS MOVED BY MR. KING, SECONDED BY MR. DUNLOP, AND UNANIMOUSLY CARRIED THAT ITEM 4 (a) APPROVAL OF MINUTES: MEETINGS OF OCTOBER 9 AND 16, 2001, (OCTOBER 16TH MINUTES AMENDED TO CORRECT A TYPOGRAPHICAL ERROR ON PAGE 11) BE ADOPTED.

Executive Director Rosen requested that the minutes reflect that Commissioner Foriest Settles voted on the approval of the October 9th minutes and abstained on the approval of the October 16th minutes.

REGULAR AGENDA

- 4 (d) Resolution No. 189-2001, Authorizing Execution of a Purchase and Sale Agreement and related closing costs with Carolyn Robinson Beecher for the Agency's purchase of a single family residence at 18 Garnett Terrace pursuant to the Agency's Affordable Homeownership Program; Hunters Point Redevelopment Project Area

Presenters: Harriet Starkes (Agency staff)

Commissioner Foriest Settles asked about the Agency's process of determining qualified individuals or families, specifically if applications are processed one at a time and if there were other families considered for this unit.

Ms. Starkes stated that the Agency does process the applications one at a time and that there were other families considered for the unit.

Commissioner Foriest Settles asked why there were not a lot of applicants for the unit, and questioned what would prevent us from not meeting a future deadline if we did not have a ready qualified buyer.

Ms. Starkes stated that once the buyer was identified, there were not any other interested buyers.

Mr. Olson Lee informed the Commission that the Agency's single-family re-sale program was experiencing a number of re-sales at this time and the Agency provided the re-sale information to qualified buyers. Mr. Lee explained that for this particular unit, the Agency went very far into the process with the buyer and indeed the intention was that the buyer would close and when other potential buyers saw that a buyer has been identified, they lost interest and sought other housing opportunities. Mr. Lee stated that the initial buyer for the unit decided late into the purchase process not to go ahead with the purchase resulting in the unit not being sold quickly.

Executive Director Rosen explained that there is a two-step process. Ordinarily, the Agency would within the time limit qualify a buyer so that there was only one transaction, that is, the qualified buyer would purchase from the seller. Ms. Rosen stated that the time limit for exercising the Agency's option occurred only once because once the Agency owned the unit, the Agency is not at risk of losing the unit from the affordable housing stock. Ms. Rosen pointed out that the Agency's purpose in the transaction would be to protect the affordability of the unit and the opportunity for an eligible first-time homebuyer.

ADOPTION: IT WAS MOVED BY MR. DUNLOP, SECONDED BY MR. SINGH, AND UNANIMOUSLY CARRIED THAT ITEM 4 (d) RESOLUTION NO. 189-2001, AUTHORIZING EXECUTION OF A PURCHASE AND SALE AGREEMENT AND RELATED CLOSING COSTS WITH CAROLYN ROBINSON BEECHER FOR THE AGENCY'S PURCHASE OF A SINGLE FAMILY RESIDENCE AT 18 GARNETT TERRACE PURSUANT TO THE AGENCY'S AFFORDABLE HOMEOWNERSHIP PROGRAM; HUNTERS POINT REDEVELOPMENT PROJECT AREA, BE ADOPTED.

4 (e) Workshop to provide update on status of environmental cleanup at Hunters Point Shipyard; Hunters Point Shipyard Redevelopment Project Area

Presenters: Don Capobres (Agency staff), Amy Brownell (DPH), Saul Bloom (ARC Ecology), Jesse Blout (MOED)

Commissioner Foriest Settles asked what would happen if contaminants were found after the transfer of the land.

Mr. Jesse Blout stated that CERCLA and the Base Closure law provides an ongoing liability for the United States Navy, after the transfer of contaminated Navy properties. Mr. Blout shared that there are provisions in the Base Closure law that maintains the Navy's responsibility should the City encounter contaminants through its own environmental investigation after the property is transferred. Mr. Blout stated that a Soil and Groundwater Management Plan was being prepared and that the City intends to incorporate this plan into an Ordinance which would require developers or owners to comply with certain provisions when handling soil and groundwater. Mr. Blout informed the Commission that another layer of protection that was being looked at was the procurement of a pollution legal liability insurance policy specifically designed for brownfields redevelopment.

Executive Director Rosen added that the reason for the City's insistence on the comprehensive environmental testing at the front end was to hopefully foreclose future identifications of contaminants and that the City has its own environmental experts as well as community organizations to review the Navy's plans.

Commissioner Foriest Settles expressed her appreciation for the funding that was allocated for the clean-up efforts in the Shipyard. Ms. Foriest Settles asked in light of the September 11th tragedy, what additional security measures are being provided for in the Hunters Point Naval Shipyard.

Executive Director Rosen informed the Commission that Agency staff have discussed these matters and asked Mr. Capobres to update the Commission.

Mr. Capobres informed the Commission that on September 11th, the Shipyard was placed on a Threat-Con Delta, which is the highest level of alert for the Navy, and that the Navy took over command of the gate to the Shipyard. Mr. Capobres reported that in addition, the Agency's Shipyard site manager, Willie B. Kennedy and McCoy's Security Agency, have been working to redefine an identification badge process that would include a photo ID system that would help security at the gate. Mr. Capobres shared that the new equipment for the photo ID system arrived last week and that the Agency is in the process of implementing the system, and that Agency staff was re-instituting the monthly property management meetings with the Navy to improve and maintain good communications.

Commissioner Dunlop thanked staff and other City departments for doing such a great job on a very complex and difficult job. Mr. Dunlop referred to the plumes identified on Parcel B and asked if there was leakage into the Bay.

Ms. Brownell stated that the plumes identified contained nickel, which resulted from the stainless steel well screens and informed the Commission that the Navy continues to do its groundwater monitoring as well as vapor extraction on Parcel B. Mr. Brownell added that under Building No. 123, TCE have been identified.

Commissioner Dunlop asked about the proposed residential use on Parcel B and asked for assurance that the parcel would be cleaned up. Mr. Dunlop inquired about the restrictions to using the groundwater and the soil handling.

Ms. Brownell explained that San Francisco gets its drinking water from Hetch Hetchy and that there were no real uses for the groundwater in San Francisco except for irrigation, and that there were no such plans here. Ms. Brownell stated that soil handling was no more restrictive than the local Maher Ordinance, which lays the responsibility of remediation to the party that discovers the contamination.

Commissioner Dunlop expressed his confidence that with such a great City team, all of the clean-up issues would be mitigated by the time the Shipyard is transferred to the City.

Commissioner Palamountain thanked Ms. Brownell, Mr. Bloom, Mr. Blout and Don Capobres for their excellent presentations. Ms. Palamountain recited a list of concerns and questions she had and requested staff to think about these issues as they proceed with the clean-up efforts in the Shipyard: current safety not only inside the Shipyard but the surrounding neighborhood outside of the gates; update on the fires that have occurred in the Shipyard (Ms. Palamountain recalled 58 fires) as well as the safety plan and the process for informing the public about the fires in addition to the RAB meetings; discussion of Proposition P and how it could be integrated into the CERCLA

process, and if the clean-up standards are not met, who would be legally liable; how would post-transfer liability be enforced; more information on cost of liability insurance and a “liability analysis”; in-depth discussion on conveyance and clean-up where impacts on the schedule of development would be analyzed and coordinated with Lennar, the Agency, the City and the community. Ms. Palamountain shared her concern that she would not want to see Lennar break ground and start construction and then pulled back and delayed because of environmental issues. Ms. Palamountain expressed some interest in the Record of Decision (ROD) process, specifically the public input into the ROD process. Ms. Palamountain thanked staff and stated that she would look forward to hearing more in the next few months.

President Yee expressed his gratitude to all those who participated in the presentation. Mr. Yee referred to the funding allocation for the cleanup and asked when the City would receive sufficient funds to complete the work.

Mr. Blout reported that the City would be receiving funds not only this year but also the next. Mr. Blout informed the Commission that the City will soon be meeting with the Navy to identify funding needs for the next several years to ensure continued and completed clean-up efforts in the Shipyard. Mr. Blout shared that the City would be working with Senator Feinstein’s office as well as Senator Boxer and Congresswoman Pelosi to make sure of a legislative strategy to insure funding availability and allocation for the Shipyard.

PERSONS WISHING TO ADDRESS THE MEMBERS ON NON-AGENDA, BUT AGENCY-RELATED MATTERS

- Abdul H. Kadir (Clementina Towers)

Mr. Kadir asked the Commission to reject the proposal by TODCO for the parking lot next to the Clementina Towers.

REPORT OF THE PRESIDENT

- President Yee referred to the verbatim transcription of the discussion regarding the Plaza Hotel at the October 16th meeting, stating that the Chair believed he was correct in his ruling but was overruled by the Parliamentarian (Ms. Langdell). Mr. Yee stated that the Commissioner (Commissioner Palamountain) who made the motion to delay consideration of the Plaza Hotel was incorrect and that the Chair was correct. Mr. Yee asked the Parliamentarian for his comments.

Commissioner Romero raised a point of order.

President Yee advised that this was the President’s report.

Commissioner Romero explained that during the President's report, the President could make any report he wanted, but the matter that the President was raising was a matter that the Commission has dealt with.

President Yee ruled Commissioner Romero out of order. Mr. Yee stated that the Chair has the right to ask questions. Mr. Yee stated that a motion cannot be made to delay consideration on an item without specifying a time to consider the matter and that then place the matter on Unfinished Business. Mr. Yee opined that was incorrect and asked the Parliamentarian for comments.

Parliamentarian Keane stated that he read the transcript and stated that in his opinion, the Commission was confused as to what was going on, both at the time of the initial motion and at a later time in the meeting. Mr. Keane stated that the initial motion made by Commissioner Palamountain put the matter over until the arrival of Commissioner Foriest Settles, so the motion was open-ended, pointing out that the matter was put over until Commissioner Foriest Settles arrived at that meeting or at another meeting. Mr. Keane explained that when the Chair ruled that the motion passed, it appeared that the Chair and other Commissioners understood the motion to say that the matter would be delayed until Commissioner Foriest Settles arrived at that (October 16th) meeting. Mr. Keane observed that there was a general misunderstanding amongst the Commission at that time. Mr. Keane recalled that later in the meeting, Commissioner Palamountain made a subsequent motion to continue the matter to the next (October 23rd) meeting, there was discussion between Commissioner Palamountain and the Chair, which resulted in the withdrawal of the motion. Mr. Keane opined that the Commission was confused as to what it was doing with regard to the motion that was adopted, pointing out that none of the Commissioners had a clear view of the posture of any motion being discussed because of the unsettled nature of the discussion.

President Yee asked if a motion to delay action on a matter could be made with no definite time or multiple time frames.

Parliamentarian Keane stated that the Chair's question was too hypothetical and commented that generally, a motion is made specifically to go over to some time during that particular meeting or indefinitely, when Commissioner Foriest Settles arrived. Mr. Keane stated that the language being used by all of the members of the Commission during that discussion was simply too confused in order to get an understanding from reading the transcript as to what the Commission was doing.

President Yee stated that he understood and commented that a motion could not be made to delay action until a Commissioner arrived later in the meeting

and if the Commissioner did not show up, the matter was continued automatically.

Parliamentarian Keane stated that with regard to specificity of making the motion, it should refer to whether or not the matter was going over to later on the meeting or some future time when Commissioner Foriest Settles can be present. Mr. Keane observed that he could not find that degree of specificity in the discussion of the motion between the Chair and Commissioner Palamountain.

- President Yee asked a question with respect to the proper procedure when Commissioners walk out of the meeting and asked if the Parliamentarian had any recommendations or should the Commission consult with the City Attorney to get directions and to prevent it from happening.

Parliamentarian Keane informed the Commission that any time a Commissioner wants to leave, they can leave and there's nothing to prevent it. Mr. Keane shared with the Commission a personal observation that there was a lack of collegiality among members of the Commission that was very astonishing to him and pleaded to the Commission to get along better.

President Yee stated that he understood but explained that the Chair's concern was the disruption of the meeting when three Commissioners walked out of the meeting together, leaving the Commission without a quorum to continue its business, and that bothered the Chair.

Parliamentarian Keane commented that the issue went to the question of collegiality and getting along and respect for one another. Mr. Keane reiterated that at any time a Commission wanted to leave the meeting, they could do so.

- President Yee requested staff to write a letter to the City Attorney for advice on the matter.

Executive Director Rosen advised the Chair that as the Commission is aware, the Agency is a State agency with its own General Counsel and that the City Attorney does not govern the Agency's procedures. Ms. Rosen offered that the Agency General Counsel would be pleased to respond to the Commission.

President Yee affirmed and asked the General Counsel for comments.

Executive Director Rosen stated that the Chair raised the question with her and after conferring with Executive staff whether this has been an issue before, and that there were instances before where the Commission did not have a quorum either because Commissioners left the meeting or Commissioners did not attend a scheduled meeting without advanced notice,

resulting in meetings that were cancelled due to a lack of a quorum. Ms. Rosen stated that this has happened several times before.

President Yee stated that the Chair was not asking that question and was asking the General Counsel to provide an answer.

General Counsel Bertha A. Ontiveros responded and stated that she would need to review State law or the Agency's bylaws in regard to the matter and would do so and get back to the Commission.

President Yee affirmed and expressed his appreciation.

- President Yee asked a question regarding a fee simple ownership of a property for sale or transfer. Mr. Yee offered for discussion a situation where the Agency bought a piece of property for development and the Agency provided a subsidy to a developer. Mr. Yee then asked if the Agency should retain some sort of a title to the property instead of giving the land for the development of affordable housing, pointing out that the Agency does not have any remaining interest in the property. Mr. Yee asked if there should be a mechanism whereby the Agency retains some interest in the property that is being given to a developer.

Executive Director Rosen suggested that staff should respond in greater detail through an informational memorandum. Ms. Rosen explained that the Agency has the discretion to set the terms of its disposition of property and has used a variety of mechanisms over the years. Ms. Rosen cited the example of the Agency's housing preservation program that the Agency has managed on behalf of the City for the past four or five years, where the Agency retains ownership of the land and ground leases the improvements to the owner of the affordable housing development on a long-term basis. Ms. Rosen added that in such instances the Agency continues to own the land and retains certain rights, while the property used for the improvements is subdivided into air rights parcels. Ms. Rosen stated that the Agency has used a variety of mechanisms to retain property rights, and also commonly in the development process the Agency historically has retained a right of reverter to execute if the development does not proceed as defined in the DDA or LDA. Ms. Rosen commented that there are many different mechanisms to advance many different policies and purposes of the Agency as defined by the Commission and as provided for in redevelopment plans.

President Yee thanked Ms. Rosen for her response and remarked that although the Chair has more questions, in light of the lateness of time he would defer to a future meeting.

REPORT OF THE EXECUTIVE DIRECTOR

- Announced the African-American Museum Stakeholders meeting on November 8th from 5:00 to 8:00 p.m. in the North Light Court of City Hall.
- Advised that the Art Commission meeting on November 5th may include on its Agenda the transfer of the MUNI substation property to the Agency.
- Announced that the Board of Supervisors approved the transfer of the Octavia Boulevard parcels to the Agency at its October 22nd meeting.

President Yee asked if the Executive Director knew the reason for the continuance by the Board of Supervisors.

Executive Director Rosen stated that she did not have additional information other than what she reported to the Commission at the previous meeting (October 16th), where she reported that the Board of Supervisors continued the matter for one week. She noted that prior to the October 22nd meeting there were minor amendments offered by Supervisor Peskin that were not objectionable to the Agency and the transfer was approved unanimously.

- Executive Director Rosen shared with the Commission her discussion with the Mayor following his State of the City Address on October 22nd where the Mayor asked the Executive Director to convey to the Commission and the public a broader understanding about the Agency's future role in affordable housing development. Ms. Rosen stated that the Mayor's idea was to augment the delivery system of affordable housing and not to have the Agency alone take over affordable housing development. Ms. Rosen stated that it was because of the Mayor's commitment to affordable housing and the great need to expand development capacity that the Mayor has asked the Agency to investigate how it may fill an additional, but not an exclusive, role. Ms. Rosen shared that the Mayor reiterated his strong support for non-profit and for-profit developers who have committed themselves to the development and preservation of affordable housing. Ms. Rosen commented that the Mayor and she reviewed the over 9,500 units that have been built during his administration with assistance from the Mayor's Office of Housing and the Redevelopment Agency. Ms. Rosen pointed to a color reproduction (provided to the Commission) of display boards that were exhibited at the Mayor's State of the City Address, and stated that the boards showing various affordable housing developments in the City were produced by the Mayor's Office of Housing and the Redevelopment Agency at the Mayor's request. Ms. Rosen stated that the display boards showed photographs of various Agency-sponsored affordable housing developments by both non-profit

and for-profit developers. Ms. Rosen suggested having the display boards at a future Commission meeting where staff can present the background for the Commission and the public's information as the Mayor wanted to get the word out on the matter. Ms. Rosen informed the Commission that the Mayor wanted the Agency to look into the idea of public development by the Agency, recognizing that there are numerous legal, financial, strategic, and structural resource questions that would need to be resolved, but that the Mayor wanted to reiterate very strongly that he did not want to slow down development or wait for development until the new mechanism was in place, and the Mayor did not see that there would no longer be RFP's. Further, he recognized a continuing role for non-profit and for-profit developers in affordable housing and the Mayor was looking to have yet another mechanism of providing the assistance. Mr. Rosen stated that at the Mayor's request, staff has begun to look at that role and will keep the Commission apprised of staff's analysis.

- Executive Director Rosen recalled an earlier discussion about the October 2nd minutes and shared that she was working with the Commission Secretary to ensure that the meeting minutes are prepared in a timely fashion. Mr. Rosen stated that the Commission was provided copies of the audiocassette tapes of the October 2nd meeting and that one Commissioner has provided suggested revisions to the October 2nd minutes. Ms. Rosen sought direction from the Commission as to how much additional time was needed by the Commission to review the tapes so that a draft of the October 2nd minutes can be prepared for the Commission's approval at a future Commission meeting.

President Yee asked the Executive Director for clarification.

Executive Director Rosen responded by reiterating that the Commission requested copies of the audiocassette tapes of the October 2nd meeting in order for the Commission to review the minutes and was seeking direction from the Commission as to when the October 2nd minutes can be placed on a future calendar.

Commission Secretary Tanjuaquio informed the Chair that the Commission did not approve the October 2nd minutes until all of the Commissioners had the opportunity to hear and review the audiocassette tapes.

Executive Director Rosen added that a question was raised as to the accuracy of the minutes and the Commission requested copies of the tapes be provided.

President Yee recalled the discussion and stated that he has reviewed the tapes and remarked that the Commission Secretary did a very good job and was accurate in recording the minutes.

Executive Director Rosen pointed out that the question was whether the Commission had enough time to review the tapes and to provide any suggested revisions to the Commission Secretary. Ms. Rosen explained that she was waiting, as a courtesy to the Commission, to calendar the approval of the October 2nd minutes at a future Commission meeting.

COMMISSIONERS QUESTIONS AND MATTERS

- Commissioner Singh asked the Executive Director about Mr. Abdul Kadir's statements about a project on Howard Street.

Executive Director Rosen stated that Mr. Kadir was referring to a proposed development by TODCO on a lease from the Housing Authority on a parking lot owned by the Housing Authority adjacent to the Clementina Towers. Ms. Rosen informed the Commission that the proposed project will be before the Commission in the next several weeks and a full staff report will be provided. Ms. Rosen added that the proposed development was approved by the Housing Authority Commission at its October 25th meeting, and the Mayor's Office of Housing has authorized funding over the years for pre-development and financing of the project. Ms. Rosen stated that the project is a HUD 202 senior housing development with funding from HUD, and explained that other than the Commission's approval at last year's budget process, related to site improvements, the matter has not come before the Commission but is scheduled in the next few weeks.

Commissioner Singh asked if the Agency is providing funds or just the Mayor's Office of Housing.

Executive Director Rosen stated that at this time, only the Mayor's of Housing has provided funding.

- Commissioner Foriest Settles complemented the Yerba Buena Gardens group on the attractive signs in BART stations about Zeum and A.C.T. and commended staff and Zeum for their efforts. Ms. Foriest Settles thanked staff for its work on the BART Career Expo that was held at Bayview Hunters Point and announced the November 9th Expo at Civic Center. Ms. Foriest Settles suggested a one-week time for the Commission to review the October 2nd tapes and minutes. Ms. Foriest Settles observed that the Commission was aware that she had difficulty in supporting the carryover of a matter and after she read the minutes and listened to the tapes, it reconfirmed her concerns about putting matters over when Commissioners were not present, and that it causes confusion instead of providing clarity on the Commission's decisions. Ms. Foriest Settles requested that her earlier proposal regarding the Plaza Hotel be placed on a future Commission meeting calendar.

President Yee stated that there was a motion on the floor (by Commissioner Foriest Settles).

Executive Director Rosen stated that in the spirit of Commissioner Foriest Settles' suggestion, that staff be given a couple of weeks to prepare.

Commissioner Foriest Settles affirmed and understood that staff would need time to prepare for the discussion of her proposal.

Executive Director Rosen stated that she would consult with Commissioner Foriest Settles as well as the President and Vice-President at Agenda setting and will determine the exact meeting date, and staff would do its best to get it ready in two to three weeks if that was the pleasure of the Commission.

- Commissioner Romero stated that he has also read the Mayor's remarks and thought that the comments were more generic and the Agency should not make it specific to the Plaza Hotel but rather look at developing other strategies, and he questioned the wisdom of limiting the discussion to the Plaza Hotel. Mr. Romero recalled that in the past there has been Commission retreats and suggested that a Commission retreat be planned to help with the Commissioners' relationships. Mr. Romero also suggested a workshop for Commissioners on Robert's Rules of Order and parliamentary procedures. Mr. Romero suggested a 15 to 20 minute workshop on the making of motions and other general procedures and a description of the role of the Chair. Mr. Romero commented that his understanding of the role of the Chair was to facilitate the meeting and remain relatively neutral and to not take a heavy-handed role during a debate. Mr. Romero commented that it would be important for Commissioners to know the role of the Chair.
- Commissioner King stated that Robert's Rules of Order could be interpreted in many different ways and that all of the Commissioners went through a class. Mr. King commented that the Commission has one of the best Parliamentarians in Mr. Keane and the Commission did not need a workshop on Robert's Rules and he does not agree on having a workshop for the Commission.
- Commissioner Romero stated that he forgot to mention that in the Robert's Rules workshop, to include the basics of parliamentary procedures such as not speaking out of turn before being recognized by the Chair and reiterated the need for the Commission to have such a workshop.

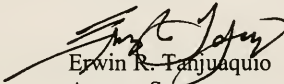
CLOSED SESSION

- (a) Pursuant to Government Code §54956.8 to instruct the Agency's real property negotiators with respect to price and terms of payment. The property is commonly known as the Muni Substation and is located at 1345 Turk Street (Parcel 756, Lot 1) at the corner of Turk and Fillmore in the Western Addition Project Area A-1. The owner of the property with whom the Agency may negotiate with is the City and County of San Francisco and the City and County of San Francisco Arts Commission. Agency negotiators: Marcia Rosen, Darby Kremers, Olson Lee.
- (b) Pursuant to Government Code §54956.9(a): Conference with Legal Counsel regarding litigation: Redevelopment Agency of the City and County of San Francisco v. James J. Heffernan and Thanos Triant, et al., San Francisco County Superior Court-Limited Jurisdiction, Case No. 189637.
- (c) Pursuant to Government Code §54956.9(b), Conference with Legal Counsel regarding anticipated litigation: One potential case

ADJOURNMENT

It was moved by Ms. Foriest Settles, seconded by Mr. Romero, and unanimously carried that the meeting be adjourned. The meeting adjourned at 9:40 p.m.

Respectfully submitted,


Erwin R. Tanjuaquio
Agency Secretary

APPROVED:

November 13, 2001

MINUTES OF A REGULAR MEETING OF THE
REDEVELOPMENT AGENCY OF THE CITY AND
COUNTY OF SAN FRANCISCO HELD ON THE
6TH DAY OF NOVEMBER 2001

The Commissioners of the Redevelopment Agency of the City and County of San Francisco met in a regular meeting at City Hall, 1 Dr. Carlton B. Goodlett Place, Room 416, in the City of San Francisco, California, at 4:00p.m. on the 6th day of November 2001, at the place and date duly established for holding of such a meeting.

The President called the meeting to order and on roll call the following answered present:

Benny Y. Yee, President
Leroy King, Vice President
Mark Dunlop
Kathryn C. Palamountain
Ramon E. Romero
Darshan Singh

and the following were absent:

Michal Foriest Settles

DOCUMENTS DEPT.

The President declared that a quorum was present.

SEP 13 2007

Marcia Rosen, Executive Director, and staff members were also present.

SAN FRANCISCO
PUBLIC LIBRARY

President Yee reminded the public of the Commission meeting rules and asked that cell phones and pagers be turned off.

Agency Commission Secretary Erwin R. Tanjuaquio announced for the record that Commissioner Foriest Settles would be absent for the meeting.

REPORT ON ACTIONS TAKEN AT PREVIOUS CLOSED SESSION MEETING, IF ANY

- Executive Director Rosen reported that at the October 30th Commission meeting, the Commission met at a closed meeting and by a vote of four to zero, the Commission took the following action: (a) approved a settlement regarding the existing case of the Redevelopment Agency versus James J. Heffernan and Thanos Triant, et al., San Francisco County Superior Court-Limited Jurisdiction, Case No. 189637. Ms. Rosen reported that pursuant to Commission authority, the Agency brought an unlawful detainer action against defendants for possession of berth slip 835 at South Beach Harbor and that the action was based upon defendant Heffernan transferred without Agency approval and violation of the license the berth slip to defendant

Triant; and (b) the Commission authorized the Executive Director to execute a settlement and release agreement on the following terms: Mr. Triant to vacate the berth slip on or before October 15, 2001, to return the Agency's refund check of \$6,000.00, to pay an additional \$1,000.00 towards the Agency's attorney's fees, and for each party to waive all claims and the Agency to dismiss its lawsuit.

MATTERS OF NEW BUSINESS

CONSENT AGENDA

- 4 (a) Approval of Minutes: Meeting of October 23, 2001
- 4 (b) Resolution No. 190-2001, Authorizing a First Amendment to the Personal Service Contract between the Agency on behalf of Community Facilities District No. 1 with Robert Poyas, Inc. a California Corporation for landscape maintenance services to extend the Contract term for an additional three month period and to increase the contract amount by \$34,000 for a total aggregate amount not to exceed \$234,000; Rincon Point South Beach Redevelopment Project Area

Commissioner Singh asked if the contractor for item 4 (b) was in attendance. (The contractor was not present) Mr. Singh remarked that it would be a good idea for contractors to be present at the Commission meetings when they have a matter before the Commission.

President Yee remarked that the contractor probably took it for granted since the item was on the Consent Agenda.

ADOPTION: IT WAS MOVED BY MR. DUNLOP, SECONDED BY MR. SINGH, AND UNANIMOUSLY CARRIED (MS. FORIEST SETTLES ABSENT) THAT CONSENT AGENDA ITEMS 4 (a) APPROVAL OF MINUTES: MEETING OF OCTOBER 23, 2001, AND 4 (b) RESOLUTION NO. 190-2001, AUTHORIZING A FIRST AMENDMENT TO THE PERSONAL SERVICE CONTRACT BETWEEN THE AGENCY ON BEHALF OF COMMUNITY FACILITIES DISTRICT NO. 1 WITH ROBERT POYAS, INC. A CALIFORNIA CORPORATION FOR LANDSCAPE MAINTENANCE SERVICES TO EXTEND THE CONTRACT TERM FOR AN ADDITIONAL THREE MONTH PERIOD AND TO INCREASE THE CONTRACT AMOUNT BY \$34,000 FOR A TOTAL AGGREGATE AMOUNT NOT TO EXCEED \$234,000; RINCON POINT SOUTH BEACH REDEVELOPMENT PROJECT AREA, BE ADOPTED.

REGULAR AGENDA

Items 4 (c) and 4 (d) were presented together and acted upon separately.

- 4 (c)** Resolution No. 191-2001, Conditionally Approving the Schematic Design for the Agency affordable Senior Housing Project on Parcel 1 of Block N3A; Mission Bay North Redevelopment Project Area
- 4 (d)** Resolution No. 192-2001, Authorizing a Mission Bay North Housing Loan Agreement in an amount not to exceed \$1,966,515 to Mercy Housing California, a California non-profit public benefit corporation for the development of 139 units of affordable senior rental housing on Parcel 1 of Block N3a; Mission Bay North Redevelopment Project

Presenters: Amy Neches, Matthew Schwartz (Agency staff), Adele Santos (Architect)

Commissioner Dunlop put forth a motion to adopt item 4 (c) and expressed his excitement about the project. Mr. Dunlop stated that there is a housing crisis for seniors and complemented the beautiful design of the proposed project. Mr. Dunlop asked if there were HOPWA funds in the project, pointing out that HIV among the elderly has experienced higher rates of incidence. Mr. Dunlop inquired about wheelchair access throughout the building and bicycle parking for the project.

Mr. Matthew Schwartz informed the Commission that staff was hopeful that HOPWA capital money would still be available to invest in the project and that the staff and the developer is continuing outreach efforts to all communities.

Ms. Amy Neches informed the Commission that the proposed project would be totally handicapped and wheelchair accessible and pointed to the model depicting the new refurbished Fourth Street Bridge which will be taken away and refurbished with rail tracks and will have accessible sidewalks. Ms. Neches added that the Mission Creek Park as well as Mission Creek South will both be accessible and that in a few years, there will be a pedestrian bridge that will span Mission Creek at Fifth Street that will be totally accessible. Ms. Neches informed the Commission that the proposed project would conform to the bicycle parking requirements of the Design for Development which requires one bicycle parking space for every 20 automobile parking spaces and that additional bicycle racks would be provided on the street to serve both the proposed library and retail space.

Commissioner Romero expressed his excitement about the project and complemented staff and the developer for the attractive design. Mr. Romero seconded the motion.

Commissioner Palamountain inquired about the proposed courtyard garden on the second level of the building and asked if the public would be able to view the open space from the street. Ms. Palamountain expressed her appreciation for the thoughtful design of the building, that it was not designed to look institutional. Ms. Palamountain asked if the concrete wall along the pedestrian alley was for emergency stairwells.

Architect Adele Santos informed the Commission that the two levels of open garden space would be visible to the public from the street and along the walkway. Ms. Santos affirmed that the concrete wall along the pedestrian alley was indeed for the emergency stairwells.

Commissioner Singh expressed his excitement about the project and asked who the members were of the Loan Committee that approved the loan for the project. Mr. Singh also asked who chaired the Committee and confirmed that the funding was a loan and not a grant.

Mr. Matthew Schwartz informed the Commission that the Citywide Housing Loan Committee consisted of the Executive Directors of the Redevelopment Agency, the Mayor's Office of Housing and the Mayor's Office of Homelessness and Marcia Rosen, the Agency's Executive Director is the chair of the Committee. Mr. Schwartz stated that the funding for the project was a loan with a 55-year term.

President Yee concurred with his fellow Commissioners comments about the outstanding design of the building. Mr. Yee shared his fondness for the architect's (Adele Santos) English accent.

ADOPTION: IT WAS MOVED BY MR. DUNLOP, SECONDED BY MR. ROMERO, AND UNANIMOUSLY CARRIED (MS. FORIEST SETTLES ABSENT) THAT ITEM 4 (c) RESOLUTION NO. 191-2001, CONDITIONALLY APPROVING THE SCHEMATIC DESIGN FOR THE AGENCY AFFORDABLE SENIOR HOUSING PROJECT ON PARCEL 1 OF BLOCK N3A; MISSION BAY NORTH REDEVELOPMENT PROJECT AREA, BE ADOPTED.

ADOPTION: IT WAS MOVED BY MR. ROMERO, SECONDED BY MR. DUNLOP, AND UNANIMOUSLY CARRIED (MS. FORIEST SETTLES ABSENT) THAT ITEM 4 (d) RESOLUTION NO. 192-2001, AUTHORIZING A MISSION BAY NORTH HOUSING LOAN AGREEMENT IN AN AMOUNT NOT TO EXCEED \$1,966,515 TO MERCY HOUSING CALIFORNIA, A CALIFORNIA NON-PROFIT PUBLIC BENEFIT CORPORATION FOR THE DEVELOPMENT OF 139 UNITS OF AFFORDABLE SENIOR RENTAL HOUSING ON PARCEL 1 OF BLOCK N3A; MISSION BAY NORTH REDEVELOPMENT PROJECT, BE ADOPTED.

- 4 (e) Resolution No. 193-2001, Consideration of revised standard provisions in Request for Proposals regarding disclosures by, and evaluation and qualifications of, respondent redeveloper/owner teams

Presenters: Darby Kremers, Olson Lee (Agency staff)

Speakers: John Stewart, Ben Golvin, Robert Woods

During the staff presentation, President Yee interjected and stated that if the RFP contained the non-profit preference language, it has the appearance of exclusivity to particular organizations and stated that the South of Market Redevelopment Plan that contains the preference language was adopted twelve years ago and that was the reason why the majority of the Commission had problems with the RFP.

Commissioner Romero raised a point of order and stated that staff presentation should be concluded and then have Commissioners' discussion and not during the staff presentation.

[Ms. Kremers continued with staff's presentation]

President Yee interjected and asked how the redevelopment plan could be changed in order to remove the preference language.

Commissioner Dunlop stated that the Commission usually waits for staff to conclude its presentation before Commissioners ask questions.

At this point, a highly spirited exchange among the Commission ensued.

Commissioner Dunlop raised a point of order that the Chair should await staff's presentation to conclude before asking questions.

President Yee stated that the Chair has the right to ask questions.

Commissioner Dunlop challenged the Chair. Commissioner Romero seconded the challenge to the Chair.

President Yee asked the Commission Secretary to call the roll on the challenge to the Chair.

MOTION: IT WAS MOVED BY MR. DUNLOP, SECONDED BY MR. ROMERO, THAT THE CHAIR SHOULD AWAIT THE CONCLUSION OF STAFF'S PRESENTATION BEFORE ASKING QUESTIONS, AND ON ROLL CALL, THE FOLLOWING VOTED "AYE":

Mr. Dunlop
Ms. Palamountain
Mr. Romero

AND THE FOLLOWING VOTED “NAY”:

Mr. King
Mr. Singh
Mr. Yee

AND THE FOLLOWING WERE ABSENT.

Ms. Foriest Settles

THE SECRETARY DECLARED THE RESULTS OF THE ROLL CALL VOTE, THREE (3) AYES , THREE (3) NOES AND ONE (1) ABSENT.

THE PRESIDENT THEREUPON DECLARED THAT THE MOTION TO CHALLENGE THE CHAIR FAILED.

Commissioner Romero raised a point of order requesting the Chair to strictly enforce the recognition rule, that no Commissioner should be allowed to speak without being recognized by the Chair and asked that the rule be specifically applied to Vice-President King.

President Yee stated that the Chair, at any point, could ask questions of staff.

Commissioner Romero explained that his point of order was not about the Chair asking questions, rather his point of order was for the Chair to ensure that no Commissioner speaks without first being recognized by the Chair. Mr. Romero stated that other Commissioners interrupt and speak without having the floor, which contributes to the disruption and emotional outbursts during the meetings.

President Yee acknowledged Commissioner Romero’s point of order and stated that the point of order was well taken. Mr. Yee advised that Commissioners who have not been recognized by the Chair do not have the floor and must wait to speak until recognized by the Chair.

[Ms. Kremers continued with staff’s presentation and Mr. Olson Lee concluded the presentation]

President Yee asked how many developers in the South of Market area would qualify to receive tax credits.

Mr. Lee informed the Commission that there were between 15 and 20 developers in the San Francisco area that have applied for tax credits.

Executive Director Rosen pointed out that staff's recommendations on the RFP revised provisions were summarized in an attachment to the Resolution that is before the Commission. Ms. Rosen, in response to President Yee's earlier question about changing the South of Market Redevelopment Plan, stated that staff along with the community and the PAC have been working on a Plan Amendment for South of Market. Ms. Rosen stated that the fact that the Redevelopment Plan was adopted 12 years ago does not invalidate the current requirements contained in the plan and that the Plan Amendment would be the appropriate process to include revisions to the plan, if the Commission so desired, to remove the non-profit preference language from the plan. Mr. Rosen explained that the PAC and the Agency Commission have to consider the proposed plan amendment, which is ultimately considered and adopted by the Board of Supervisors. Ms. Rosen explained that the Tax Credit Program involves capital contributions made by private investors in exchange for tax credits on their other earnings not related to housing. Mr. Rosen stated that the private investments are a form of subsidy and investors are limited partners in a single-asset corporation where the non-profit developers are general partners.

Commissioner Singh inquired about a meeting regarding the Plaza Hotel that is being held by the Board of Supervisors' Housing, Transportation and Land Use Committee on November 8th. Mr. Singh referred to Ms. Kremers' statements that the law must be changed to effect changes to the redevelopment plan, and asked who makes the law and thought that it was the Commission that creates the laws governing redevelopment projects. Mr. Singh stated that the law, which provides for the non-profit preferences has to be changed. Mr. Singh requested a copy of the law to be provided to the Commission.

Ms. Kremers informed the Commission that the law she referred to was the adopted Redevelopment Plan for South of Market.

General Counsel Bertha A. Ontiveros informed the Commission that the California Redevelopment Law provides for the process of adopting redevelopment plans, which starts with the Planning Commission establishing the project area boundaries, the formation of the Project Area Committee, the preparation of the redevelopment plan and supporting documents, then approval of the plan by the Agency Commission with a recommendation to the Board of Supervisors for its consideration and adoption. Ms. Ontiveros explained that the Board of Supervisors adopts redevelopment plans by means of an Ordinance, which take the effect of law.

Commissioner Singh asked if the Agency Commission acting alone could change the law.

General Counsel Ontiveros stated that the Commission could not amend the redevelopment plan without the Board of Supervisors approval.

Mr. Singh asked who the developer was for the 1166-1188 Howard Street project.

Executive Director Rosen stated that Mr. Lee used the 1166-1188 Howard project as an example to illustrate how much the Tax Credits Program can contribute to the financing of housing development. Ms. Rosen informed the Commission that the project was a partnership between Citizens Housing Corporation and Tenderloin Neighborhood Development Corporation.

Mr. Singh suggested tabling the matter.

President Yee opined that the Commission would not approve the item in its current form.

Mr. Romero raised a point of order.

President Yee advised that the Chair was trying to understand Commissioner Singh's motion to table the item. Mr. Yee asked if the motion to table was for a time certain or for an indefinite time.

Mr. Singh stated that he would like to table the matter until all issues were resolved and that he was particularly interested in finding out what the Board of Supervisors was going to do with regard to the Plaza Hotel. Mr. Singh stated that he read in the newspaper that the Board of Supervisors' Housing, Transportation and Land Use Committee would be holding a meeting on November 8th.

President Yee advised that the Board of Supervisors meeting has no relevance to the RFP revisions before the Commission. Mr. Yee asked Commissioner Singh for a time certain to table the item.

Commissioner Singh suggested two weeks. Commissioner Dunlop seconded the motion.

Commissioner Romero began to make his statements.

Commissioner Dunlop pointed out that a motion to table the item takes precedence and should be dispensed with.

Commissioner Romero stated that he would not be at the meeting on November 20th.

Commissioner Dunlop withdrew his second to the motion to table.

Commissioner Romero thanked staff for a well-written memorandum and commended staff for an excellent job and remarked that hopefully, all of the Commissioners have read the memorandum. Mr. Romero stated that he was skeptical about making changes to the RFP when it was first suggested, but the staff presentation made it clear for him and supports the staff recommended revisions. Mr. Romero stated that the local, State and Federal statutes governing redevelopment plans, in particular the financing vehicles for affordable housing development set the parameters in which the Agency operates and that the Agency was bound by the statutes. Mr. Romero commented that he sensed from other Commissioners' comments a bigger issue beyond opening up competition between non-profit and for-profit developers. Mr. Romero reiterated his willingness to have the review and discussion on that bigger issue, but that the Commission must go through the process with the community, the PAC and the Board of Supervisors. Mr. Romero remarked that one vote on the Plaza Hotel would not change the laws and process and pointed out that at the present time, the Agency was constrained by the Redevelopment Plan. Mr. Romero put forth a motion to adopt Item 4 (e).

Commissioner King commented that he has read the staff memorandum and stated his opposition to the item and would vote against it. Mr. King stated that the Commission could in fact change the RFP in order to involve small and minority developers in the process. Mr. King recalled that at the last meeting, he made a suggestion that Filipinos should be involved and have the opportunity to develop in South of Market. Mr. King stated that the Commissioners who voted against the Plaza Hotel felt that there was too much advantage given to non-profit developers and that other developers have applied for tax credits so that program was available to everyone and not just non-profits. Mr. King stated that his concerns were not addressed in the staff recommendation and that he would vote against the approval.

Commissioner Dunlop seconded the motion. Mr. Dunlop stated that he sensed general approval of the recommended changes but that there were bigger questions, for example on the Tax Credit Allocation Committee (TCAC). Mr. Dunlop pointed out that the TCAC does not discriminate between for-profit and non-profit developers, but that the main criterion they use is developer experience, and if projects do not receive the tax credits, then the affordable housing does not get built.

Executive Director Rosen added that TCAC also do not discriminate between small and large housing projects. Mr. Rosen cited as examples the 421 Turk Street project by Asian, Inc. and two rental development projects that are tax credit projects on Natoma Street.

Commissioner Dunlop continued and stated that the Agency's purpose was not to provide income to developers whether they are non-profit or for-profit and that the Agency's goal was to provide housing for the needy. Mr. Dunlop commented that there seems to be a lot of small developers that could be mentored and given the opportunity to develop, but that the RFP process may not be the vehicle to achieve that. Mr. Dunlop recalled testimony that suggested taking on TCAC to improve chances for small developers to receive tax credits and stated that the Agency should nurture small developers. Mr. Dunlop stated that he had mixed feelings about the RFP revisions and pointed out that five of the six revisions were specifically requested by President Yee, but that he had not heard one complaint from any for-profit developer about the RFP process. Mr. Dunlop recalled testimony from a non-union developer who suggested changes to the Agency's equal opportunity provisions, and commented that there does not seem to be a huge outcry about the RFP process. Mr. Dunlop stated his support for the item.

Commissioner Palamountain stated that when reviewing projects or changes to policies, she looks at the consistency of the changes with existing laws. Ms. Palamountain recalled that when she took the oath of office to become an Agency Commissioner, she swore to uphold and defend the laws and constitutions of the United States and California, and felt duty bound to act consistent with those laws. Ms. Palamountain stated that if the laws were to be changed, she would be open to the discussion but would not act inconsistent with the current existing legal requirements of the South of Market Redevelopment Plan. Ms. Palamountain commented that the Commission's goal was to provide as much low-income housing as possible and that all of her fellow Commissioners support the development of affordable, mixed-income housing. Ms. Palamountain referred to Attachment 1 of the Resolution, which listed the RFP revised provisions and pointed out that all of the changes are consistent with the law and stated her support for staff's recommendations. Ms. Palamountain agreed with Commissioner Dunlop's statements about TCAC's developer experience criterion and stated that as a fiduciary, she wanted to pick a developer that will get the tax credits and get the housing built expeditiously. Ms. Palamountain commented that the tax credit program affords the Agency and the City a tremendous return of 300% on its investments that is made on behalf of low-income people in San Francisco. Ms. Palamountain suggested that the Agency should build a development that is best likely to take advantage of those funding opportunities for a community such as South of Market, a community that has been traditionally shut out from such investments. Ms. Palamountain addressed Mr. Robert Woods (who testified earlier about getting small

developers involved in the Tax Credit program) and suggested that he meet with the Agency's housing staff about opportunities for joint venture projects. Ms. Palamountain recalled at least two joint venture projects where less experienced developers who felt shut out due to their lack of experience, were partnered with more experienced developers so that they would get the necessary exposure and experience and "pull themselves by the bootstraps" and be able to compete equally for development opportunities in the City.

Commissioner Singh clarified his earlier comments about the Plaza Hotel, that the Commission was in the same situation on the Plaza Hotel as it was on the RFP revised provisions and that he was concerned that the Commission's vote would be the same. Mr. Singh stated that he would like to wait for directions from the Board of Supervisors with respect to their meeting on the Plaza Hotel. Mr. Singh agreed with Commissioner Palamountain's statements about joint ventures and lent his support.

Commissioner Dunlop recalled that there currently is a proposed Plan Amendment for South of Market and asked if other Commissioners' concerns about the local non-profit developer priority (in the Plan) could be included the current plan amendment effort and that the Agency does not need to start a new plan amendment on the limited issue of the preference language.

Executive Director Rosen informed the Commission that discussion among staff, the community and the PAC on the Plan Amendment were ongoing, and if the Commissioners' concerns about the preference language in the Plan have not been discussed, they would be discussed by staff soon. Ms. Rosen stated that the current plan amendment process with the community and the PAC was the appropriate vehicle to discuss the Commissioners' concerns. Ms. Rosen explained that the State Law provides for the PAC's consideration and approval of the proposed plan amendment as well as the Board of Supervisors who would have the final say in approving or rejecting the plan amendment.

President Yee stated that the South of Market Plan was adopted over 10 years ago and shared his opinion that because of the preference of first consideration of non-profit developers in the Plan, there existed a monopoly that is unfair to other qualified developers. Mr. Yee recalled that at the last meeting, Commissioner Dunlop stated that the Plaza Hotel RFP was sent to 25 for-profits and to 19 non-profits and that only TODCO responded. Mr. Yee stated that the reason for having only one respondent to the RFP was due to the preference language in the Plan. Mr. Yee expressed his disagreement with staff's recommendations and that he could not support the RFP revised provisions in their current form. Mr. Yee pointed out that Commissioner Foriest Settles was not able to attend the meeting because of BART business and that the Chair wanted to give Ms. Foriest Settles the opportunity to express her opinion about the RFP but that she shared the same concerns as the Chair. Mr. Yee acknowledged that the Filipino-American community has

been very involved in the Plaza Hotel project and suggested that the Bindlestiff Studio be guaranteed a space in the Plaza Hotel, with the square footage to be determined later, and sought the Commission's support to help Bindlestiff Studio with the costs for tenant improvements. Mr. Yee asked staff to work with Bindlestiff Studio on the tenant improvements, as well on the development of other housing types beyond SRO units and to include studios and family housing to provide for the housing needs of the Filipino-American community in South of Market.

ADOPTION: IT WAS MOVED BY MR. ROMERO, SECONDED BY MR. DUNLOP, THAT ITEM 4 (e) RESOLUTION NO. 193-2001, CONSIDERATION OF REVISED STANDARD PROVISIONS IN REQUEST FOR PROPOSALS REGARDING DISCLOSURES BY, AND EVALUATION AND QUALIFICATIONS OF, RESPONDENT REDEVELOPER/OWNER TEAMS, BE ADOPTED AND ON ROLL CALL, THE FOLLOWING VOTED "AYE":

Mr. Dunlop
Ms. Palamountain
Mr. Romero

AND THE FOLLOWING VOTED "NAY":

Mr. King
Mr. Singh
Mr. Yee

AND THE FOLLOWING WERE ABSENT.

Ms. Foriest Settles

THE SECRETARY DECLARED THE RESULTS OF THE ROLL CALL VOTE, THREE (3) AYES , THREE (3) NOES AND ONE (1) ABSENT.

THE PRESIDENT THEREUPON DECLARED THAT THE MOTION FAILED.

PERSONS WISHING TO ADDRESS THE MEMBERS ON NON-AGENDA, BUT AGENCY-RELATED MATTERS

- Jimmie Potts, Bill Barnes (Supervisor Daly's office)

Mr. Potts addressed the Commission regarding trucking contracts at Mission Bay.

Mr. Barnes informed the Commission about the November 8th Board of Supervisors' Housing, Transportation and Land Use Committee meeting to consider approval of a Board Resolution urging the Agency Commission to reconsider the approval of the Plaza Hotel project. Mr. Barnes informed the Commission that the meeting will be in Room 263, City Hall starting at 10:00 a.m.

REPORT OF THE PRESIDENT

- President Yee recalled that the Mayor's State of the City address emphasized the Mayor's concern about moving forward with the Hunters Point Shipyard project and asked when a DDA with Lennar could be expected.

Executive Director Rosen informed the Commission that a request for a 12-month ENA extension is calendared for the November 20th meeting and if the Commission approves that extension, the ENA would culminate in a DDA with Lennar.

- President Yee asked the General Counsel to provide comments on her memorandum stating a legal opinion regarding quorum requirements.

General Counsel Ontiveros provided a summary of her written legal opinion in response to the President's request for a legal opinion about the options of the Agency regarding individual Commissioners leaving once a meeting has commenced.

REPORT OF THE EXECUTIVE DIRECTOR

- Informed the Commission of three informational memoranda:
 - Legal Opinion regarding Quorum Requirements
 - Hunters Point Shipyard CAC Technical Assistance RFQ
 - Commissioner Foriest Settles request for children population in Mid-Market
- Reported that the Namiki Apartments bonds closed and adds to the inventory of affordable housing under the Agency's Housing Preservation Program.
- African-American Museum Stakeholders meeting on Thursday, November 8th from 5:00 to 8:00 p.m. at the South Light Court, City Hall.

- Hunters Point Shipyard CAC Land Use Subcommittee workshops on phasing and infrastructure on Wednesday, November 14th at 6:30 p.m. at the Earl Mills Community Center, and a full CAC meeting on Monday, November 19th at 6:00 p.m. (Ms. Gaynell Armstrong providing information)
- Library Commission meeting on November 15th regarding proposed Mission Bay public library.
- Art Commission meeting scheduled for November 5th was cancelled and consideration of the MUNI substation property transfer to the Agency was not considered and rescheduled for the December 3rd meeting at 3:00 p.m.
- Board of Supervisors' Housing, Transportation and Land Use Committee meeting on November 8th at 10:00 a.m. regarding the Plaza Hotel and status and future plans for 1790 Post Street (Japantown Bowl site).
- Provided clarification to the public with regard to housing developments in South of Market and that an informational memorandum was provided at the October 16th Commission meeting, which mapped and listed the housing developments within South of Market. Ms. Rosen reported that there were a total of 19 developments, 14 of which were completed and five under construction and that 12 different developers are represented among the 19 developments. Ms. Rosen pointed out that all of the developments were approved under the existing South of Market Redevelopment Plan representing a diverse group of developers in South of Market.

COMMISSIONERS QUESTIONS AND MATTERS

- Commissioner Dunlop congratulated staff for the Namiki Apartments bond closing. Mr. Dunlop requested staff to include in the weekly news clippings articles from the San Francisco Sentinel. Mr. Dunlop asked for a status report on the College of Podiatry

Executive Director Rosen informed Commissioner Dunlop that she previously reported that the matter was resolved and that the two parcels unrelated to the college were returned and that staff was conducting an architectural and planning review of the development capacity of the site and would bring a residential proposal for the Commission's consideration.

- Commissioner Dunlop recalled that earlier in the meeting when he was attempting to raise a point of order, not only was he interrupted but had to withstand a barrage of rage from one Commissioner and requested that when a Commissioner interrupts another Commissioner, that the Chair

quickly gavel down the Commissioner in order to have an orderly and collegial meeting.

- Commissioner King stated that there was no direction from the Commission with regard to the November 8th Board of Supervisors meeting on the Plaza Hotel. Mr. King asked the Executive Director for a response.

Executive Director Rosen informed the Commission that there was not a request for Commissioners' attendance at the meeting but that the staff would represent the Agency.

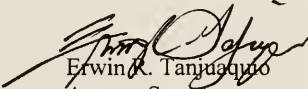
- Commissioner King stated that staff had no direction from the Commission to attend the meeting and that staff could attend, but there was no recommendation from the Commission. Mr. King commented that other Commissioners do disrupt the Chair and pointed out that the Chair has the right to ask questions and that he agreed that Commissioners should not speak without being recognized by the Chair.
- Commissioner Romero agreed with Commissioner Dunlop's statements about one Commissioner's emotional outburst and that it was embarrassing and shameful to have a Commissioner tell another Commissioner to "shut up," that this was very inappropriate behavior. Mr. Romero stated that if such behavior continues, he would suggest looking at the Bylaws to determine what disciplinary actions could be taken against a Commissioner that behaves inappropriately. Mr. Romero stated that such behavior set such a negative and emotional tone in the debate that interferes with the Commission's ability to make sound reasoned decisions. Mr. Romero acknowledged that sometimes each of the Commissioners do get personally upset with certain issues, but that it was important to control emotions and most certainly, not to personally attack other Commissioners.
- President Yee shared that he has only been in the Commission for seven years but had served as a State Commissioner for many more years and has never seen an incidence where three Commissioners walked out of the meeting, and remarked that he could not blame Commissioner King being upset. Mr. Yee cited as an example, Commissioner Dunlop's earlier point of order challenging the Chair's right to ask questions during staff presentation and that all of the challenges to the Chair were simply to disrupt the Chair. Mr. Yee opined that such behavior was not healthy for the Commission and asked his fellow Commissioners to control themselves.

- Commissioner Dunlop shared that the A,C,T, play “No for an Answer” playing at the Zeum received an extremely complimentary review in the newspaper and asked that copies of the review be provided to the Commission. Mr. Dunlop shared that he has seen the play and highly recommended it to his fellow Commissioners and the public at large.

ADJOURNMENT

It was moved by Mr. King, seconded by Mr. Dunlop, and unanimously carried that the meeting be adjourned. The meeting adjourned at 6:47 p.m.

Respectfully submitted,


Erwin R. Tanjanguito
Agency Secretary

APPROVED:

November 20, 2001

MINUTES OF A REGULAR MEETING OF THE
REDEVELOPMENT AGENCY OF THE CITY AND
COUNTY OF SAN FRANCISCO HELD ON THE
13TH DAY OF NOVEMBER 2001

The Commissioners of the Redevelopment Agency of the City and County of San Francisco met in a regular meeting at City Hall, 1 Dr. Carlton B. Goodlett Place, Room 416, in the City of San Francisco, California, at 4:00p.m. on the 13th day of November 2001, at the place and date duly established for holding of such a meeting.

The President called the meeting to order and on roll call the following answered present:

Benny Y. Yee, President
Leroy King, Vice President
Mark Dunlop
Kathryn C. Palamountain
Ramon E. Romero
Michal Foriest Settles
Darshan Singh

and the following were absent:

DOCUMENTS DEPT.

The President declared that a quorum was present.

SEP 13 2007

Marcia Rosen, Executive Director, and staff members were also present.

SAN FRANCISCO
PUBLIC LIBRARY

President Yee reminded the public of the Commission meeting rules and asked that cell phones and pagers be turned off.

MATTERS OF NEW BUSINESS

CONSENT AGENDA

4 (a) Approval of Minutes: Meeting of October 30, 2001

4 (b) Resolution No. 194-2001, Authorizing a Second Amendment to the Disposition and Development Agreement with Van Ness Care Center, Inc., a California Corporation, to revise the schedule of performance for the purchase and development of Parcel 714-A(2), located at the northwest corner of Van Ness Avenue and Myrtle Street, Western Addition Redevelopment Project Area A-2

ADOPTION: IT WAS MOVED BY MR. ROMERO, SECONDED BY MR. SINGH, AND UNANIMOUSLY CARRIED THAT CONSENT AGENDA ITEMS 4 (a) APPROVAL OF MINUTES: MEETING OF OCTOBER 30, 2001, AND 4 (b) RESOLUTION NO. 194-2001, AUTHORIZING A SECOND AMENDMENT TO THE DISPOSITION AND DEVELOPMENT AGREEMENT WITH VAN NESS CARE CENTER, INC., A CALIFORNIA CORPORATION, TO REVISE THE SCHEDULE OF PERFORMANCE FOR THE PURCHASE AND DEVELOPMENT OF PARCEL 714-A(2), LOCATED AT THE NORTHWEST CORNER OF VAN NESS AVENUE AND MYRTLE STREET, WESTERN ADDITION REDEVELOPMENT PROJECT AREA A-2, BE ADOPTED.

REGULAR AGENDA

- 4 (c) Resolution No. 195-2001, Authorizing a Third Amendment to the Personal Services Contract with Poor People's Radio, Inc., a California non-profit public benefit corporation, for live broadcasts of Agency Commission Meetings and related public hearings and issues, to extend the contract term through October 21, 2003 and to increase the contract amount by \$104,500 beginning October 22, 2001 and \$104,500 beginning October 22, 2002, for a total aggregate contract amount not to exceed \$382,100; All Redevelopment Project and Survey Areas

Presenters: Cheryl Towns (Agency staff), Reverend Arnold Townsend (KPOO)

Speakers: Randall Evans

Commissioner Romero shared that he has been a listener for the past 20 years and that KPOO was doing a great job. Mr. Romero commented that the Commission often receives letters providing feedback from many listeners about how informative the broadcasts were of the Commission meetings. Mr. Romero put forth a motion to adopt the item.

Commissioner Foriest Settles expressed her support for the contract extension and asked if there was a profile of the listeners of the Commission meetings. Ms. Foriest Settles seconded the motion.

Ms. Towns informed the Commission that although staff did not have current profiles of listeners, former General Manager Joe Rudolph (who passed away) had records that indicated over 100,000 listeners of KPOO.

Reverend Arnold Townsend informed the Commission that the Arbitron radio broadcasting rating system has generously included KPOO in its rating and is the only local, non-profit radio station that has an Arbitron rating. Reverend Townsend added that the radio station was working on installing a stronger antenna to broaden its broadcast.

Commissioner Dunlop thanked Ms. Towns and Randi Smith for their work, as well KPOO and in particular, Mr. Parsons, for providing the service to the Agency and the City by bringing the Commission's discussions to the City's residents. Mr. Dunlop shared that he gets letters from the public and expressed his support for the contract. Mr. Dunlop stated the importance of having the Commission meetings broadcast to the public and asked staff to look into televising the Commission meetings to provide broader outreach and public service.

President Yee concurred with all of the Commissioners' comments and told KPOO to keep up the good work.

ADOPTION: IT WAS MOVED BY MR. ROMERO, SECONDED BY MS. FORIEST SETTLES, AND UNANIMOUSLY CARRIED THAT ITEM 4 (c) RESOLUTION NO. 195-2001, AUTHORIZING A THIRD AMENDMENT TO THE PERSONAL SERVICES CONTRACT WITH POOR PEOPLE'S RADIO, INC., A CALIFORNIA NON-PROFIT PUBLIC BENEFIT CORPORATION, FOR LIVE BROADCASTS OF AGENCY COMMISSION MEETINGS AND RELATED PUBLIC HEARINGS AND ISSUES, TO EXTEND THE CONTRACT TERM THROUGH OCTOBER 21, 2003 AND TO INCREASE THE CONTRACT AMOUNT BY \$104,500 BEGINNING OCTOBER 22, 2001 AND \$104,500 BEGINNING OCTOBER 22, 2002, FOR A TOTAL AGGREGATE CONTRACT AMOUNT NOT TO EXCEED \$382,100; ALL REDEVELOPMENT PROJECT AND SURVEY AREAS, BE ADOPTED.

- 4 (d) Resolution No. 196-2001, Authorizing a Fifth Amendment to the Operating Agreement with Zeum to increase the Fiscal Year 2001-2002 annual contribution by \$90,000 for a total aggregate amount not to exceed \$663,000 for assistance in the implementation of Zeum's sustainability plan, Yerba Buena Center Redevelopment Project Area

Presenters: Cathy Pickering (Agency staff), Kari Novatney (Zeum)

Speakers: John Sanger, Bill Osterhaus

Commissioner Singh congratulated the Zeum Board for bringing in Kari Novatney to head Zeum. Mr. Singh also congratulated Ms. Novatney for her excellent work. Mr. Singh put forth a motion to adopt the item.

Commissioner Palamountain expressed her support for the expenditure of \$90,000 for the leadership at Zeum. Ms. Palamountain stated that she was encouraged by the statistics on the increased patronage and thanked Ms. Pickering for her hard work and stated that the Agency's investment was paying off. Ms. Palamountain shared that she would be taking her godchild to Zeum during the Thanksgiving Holiday. Ms. Palamountain seconded the motion.

Commissioner Dunlop thanked Ms. Pickering and acknowledged Bill Carney's presence. Mr. Dunlop recognized the unique vision of Zeum and commended Zeum for doing a great job, particularly with the recent collaboration with A.C.T. Mr. Dunlop invited everyone to see the A.C.T. play "No for an Answer" and remarked that it was a great play. Mr. Dunlop expressed his appreciation about David Dial's continued involvement during the transition period at Zeum.

Commissioner Foriest Settles congratulated and commended the team for not giving up and for not losing site of the goal.

Commissioner King commented that Zeum has gone a long way to making a success, and thanked the two board members (Mr. Sanger and Mr. Osterhaus) for their commitment and dedication. Mr. King commended Ms. Novatney for doing a wonderful job and wished Zeum good luck.

President Yee concurred with his fellow Commissioners' statements and remarked that under Ms. Novatney's leadership, Zeum will achieve its goals and to keep up the good work.

ADOPTION: IT WAS MOVED BY MR. SINGH, SECONDED BY MS. PALAMOUNTAIN, AND UNANIMOUSLY CARRIED THAT ITEM 4 (d) RESOLUTION NO. 196-2001, AUTHORIZING A FIFTH AMENDMENT TO THE OPERATING AGREEMENT WITH ZEUM TO INCREASE THE FISCAL YEAR 2001-2002 ANNUAL CONTRIBUTION BY \$90,000 FOR A TOTAL AGGREGATE AMOUNT NOT TO EXCEED \$663,000 FOR ASSISTANCE IN THE IMPLEMENTATION OF ZEUM'S SUSTAINABILITY PLAN, YERBA BUENA CENTER REDEVELOPMENT PROJECT AREA, BE ADOPTED.

- 4 (e) Resolution No. 197-2001, Approving the Combined Basic Concept and Schematic Design for Block 26 East pursuant to an Owner Participation Agreement with Catellus Development Corporation, a Delaware corporation; Mission Bay South Redevelopment Project Area

Presenters: Tiffany Bohee (Agency staff), Allison Williams (Architect)

Commissioner Palamountain remarked that the presentation by Allison Williams was the most excellent architectural presentation she has even seen. Ms. Palamountain shared that she has received a copy of the Mission Bay Child Care Plan and although she has not read it yet, she has heard great things about it and that Catellus would be providing two Child Care Centers within Mission Bay. Ms. Palamountain thanked Catellus for showing its commitment to children. Ms. Palamountain put forth a motion to adopt the item.

Commissioner Romero shared his support for the item and commended the architect for a great building design. Mr. Romero seconded the motion.

Commissioner Foriest Settles stated her support for the project. Ms. Foriest Settles inquired about the conditional approval by staff of the limestone material on the building and asked about staff's concern about building materials.

Ms. Bohee explained that as the architects develop more specific construction documents there's a need to ensure the appropriate materials for the building as construction details are developed.

Commissioner Foriest Settles asked about the planned concrete wall to be used for seating and asked staff if they have thought about people using the wall for skateboarding or otherwise preventing deterioration of the wall.

Ms. Bohee informed the Commission that the design detail will be looked at during the next phase and staff would ensure that adequate preservation measures are in place.

Commissioner Foriest Settles stated that she liked the concept of the blue glass proposed for the building's entrance and asked if it was a design or artistic symbol that announced the building. Ms. Foriest Settles inquired about the process used for selecting the blue color for the glass.

Architect Allison Williams explained that on a horizontal building design, it was a good idea to break-up the horizontal line by introducing a compositional element that was off-center, and also happened to be the building's main entrance, and to provide a focal point for the building. Ms. Williams stated that the blue colored glass was selected for its soothing and calming effect.

Commissioner Dunlop thanked Ms. Bohee and Ms. Williams and complemented them on a very nice looking building. Mr. Dunlop remarked that this was one of the reasons for televising the Commission meetings so that the public could see beautiful building designs such as the one for Block 26. Mr. Dunlop commented that the building has good appeal and not a cookie-cutter design. Mr. Dunlop advised that if more bicycle parking spaces are provided beyond the minimum requirement of eight spaces, more people would come and use the spaces.

Commissioner Singh inquired about the automobile parking spaces and if there were visitor-parking spaces provided. Mr. Singh stated that he would like to see more visitor-parking. Mr. Singh asked about the construction value of the project and if there were any Indian contractors in the project.

Ms. Bohee informed the Commission that 155 parking spaces would be provided to accommodate the office and retail uses in the building and that the parking spaces would be provided in a planned garage on Block 27. Ms. Bohee explained that interim parking spaces would be provided on Block 10A, which is half a block away from Block 26. Ms. Bohee stated that it was anticipated that most people working in Mission Bay would use public transit because of its proximity to the Third Street Light Rail and the CalTrain station.

Ms. Terezia Nemeth (Catellus) informed the Commission that they were in the schematic design phase and the construction value of the building has not yet been determined, but that the construction cost estimates were within the \$110.00 per square foot cost. Ms. Nemeth stated that there were no contractors that have been identified yet, as they were still on schematic design.

President Yee remarked that the building has a very impressive design and commended staff and the architect for the excellent presentation. Mr. Yee echoed Commissioner Singh's concern about visitor parking and asked if there was a future parking garage planned in the vicinity of the proposed building.

Ms. Amy Neches informed the Commission that the Mission Bay Design for Development established the parking requirements for all the different land uses in Mission Bay. Ms. Neches explained that the parking requirements were based upon the Environmental Impact Report, which looked at what modes of transportation people would use to come to work and go home in Mission Bay, and estimates were made of how much parking would be needed for Mission Bay, and from that analysis, the Design for Development established adequate, but limited parking spaces in Mission Bay so that the parking did not overwhelm the buildings. Ms. Neches stated that minimum and maximum number of parking spaces were established, for residential use there was a maximum of one parking space for every residential unit, and for commercial and office use there was a requirement of one parking space for every 1,000 gross square feet of office. Ms. Neches stated that there would be a total of 1,350,000 square feet of office space within the 4-block complex, which will include a parking garage for 1,350 automobiles. Ms. Neches commented that Catellus has proposed building a separate parking structure within the 4-block complex and that staff agreed with that better design as opposed to having each building have its own parking garage. Ms. Neches stated that this "campus" design allows for a better pedestrian environment and improved building design. Ms. Neches stated that the parking garage would include visitor parking spaces, but that primarily the tenants would use the spaces. Ms. Neches informed the Commission that the parking structure would be built when the last building in the 4-block complex starts construction.

Commissioner Singh asked how many people are anticipated to be working in the 1,350,000 square feet of offices.

Ms. Neches informed the Commission that it was premature to say how many people would be working because leases to the buildings have not yet been determined. Ms. Neches stated that typically, an estimated 3 to 4 people per 1,000 square feet of office space is anticipated, but that would depend on the specific business or office use.

ADOPTION: IT WAS MOVED BY MS. PALAMOUNTAIN, SECONDED BY MR. ROMERO, AND UNANIMOUSLY CARRIED THAT ITEM 4 (e) RESOLUTION NO. 197-2001, APPROVING THE COMBINED BASIC CONCEPT AND SCHEMATIC DESIGN FOR BLOCK 26 EAST PURSUANT TO AN OWNER PARTICIPATION AGREEMENT WITH CATELLUS DEVELOPMENT CORPORATION, A DELAWARE CORPORATION; MISSION BAY SOUTH REDEVELOPMENT PROJECT AREA, BE ADOPTED.

- 4 (f) Resolution No. 198-2001, Authorizing a Second Amendment to the Personal Services Contract with Claudia Polley, an individual, for organizational development and related services for the African American Museum to increase the contract amount by \$44,000 for a total aggregate amount not to exceed \$90,400 to extend the term of the contract to April 15, 2001, and to revise the method of payment; Yerba Buena Center Redevelopment Project Area

Presenters: Cheryl Towns (Agency staff), Claudia Polley (consultant)

Speakers: Allison Williams

Commissioner Singh expressed his pleasure about seeing Claudia Polley at two meetings on the African-American Museum. Mr. Singh put forth a motion to adopt the item.

Commissioner Dunlop enthusiastically seconded the motion. Mr. Dunlop commended Ms. Polley dedication and commitment to the project. Mr. Dunlop remarked that Ms. Polley is a wonderful addition to the team and that he was very impressed with her leadership skills. Mr. Dunlop expressed his confidence that the project was in capable hands and that it was a great idea to work with the Tides Center Foundation. Mr. Dunlop stated that the African-American Museum's Mission Statement was simple, but expansive and would attract national recognition and patronage.

Commissioner Palamountain stated that leadership in any endeavor is crucial and the Agency's investment in Claudia Polley was a very smart move because of her dedication to the big picture. Ms. Palamountain shared that she was moved by Ms. Polley's description of the vision for the African-American Museum at the previous Commission meeting on the topic of the African-American Museum. Ms. Palamountain stated that she was glad to hear that people don't have to wait for the December 2003 opening to see exhibits.

Commissioner Foriest Settles commented that she has truly had a learning experience just reading through the materials and expressed her appreciation for the team's dedicated work. Ms. Foriest Settles inquired about the change in the method of payment for Ms. Polley.

Ms. Towns informed the Commission that Ms. Polley was being paid once a month and now would be paid twice a month.

Commissioner Foriest Settles asked why there were such a large number of members in the board and pointed out the challenges of a seven-member Commission.

Ms. Polley informed the Commission that the 23-member board would include the broadest range of representatives from various sectors locally and perhaps, nationally. Ms. Polley stated that the board would only meet three times a year.

Commissioner Foriest Settles referred to the staff memorandum that indicated appointments of board members by the Mayor and the Redevelopment Agency, and inquired about the Agency Commission's role in appointing members of the board.

Ms. Polley stated that the team would love to hear recommendations from the Commission.

Executive Director Rosen informed the Commission that the staff report was prepared to demonstrate to the Commission the amount of thinking that has gone into the project, but that there has not been a discussion among staff about the board composition specifically. Ms. Rosen informed the Commission that the next public meeting, possibly a noticed meeting or workshop planned for December 19th, would provide an opportunity for the Commission to hear first-hand the community's input and would invite suggestions from the Commission.

Commissioner Foriest Settles shared that she liked the concept of the advisory committee to help focus the organization. Ms. Foriest Settles asked how many public meetings have been held, and how many people have provided input.

Ms. Polley informed the Commission that there have been two stakeholders' meetings, but that several other smaller meetings have been held beginning in March 2001. Ms. Polley stated that there have been between 300 and 500 people who have attended and provided comments to the working committee.

Ms. Towns informed the Commission about the inquiries she has been getting about the museum and that she has fielded 50 or 60 telephone calls.

Executive Director Rosen stated that in the last stakeholders' meeting there were between 70 and 80 people that stayed throughout the 3-hour meeting, and stated that there have been a great deal of engagement in the process.

Commissioner Foriest Settles shared her support for the proposed collaboration with the Tides Center and asked about the \$5.5 million request to the Agency as part of the capital campaign and if that was a one-time request.

Ms. Towns informed the Commission that the \$5.5 million was in the current fiscal year budget and that it was a one-time request.

President Yee concurred with all of his fellow Commissioners' statements and commended Ms. Polley for her hard work. Mr. Yee advised that Ms. Polley has the support of the Commission.

ADOPTION: IT WAS MOVED BY MR. SINGH, SECONDED BY MR. DUNLOP, AND UNANIMOUSLY CARRIED THAT ITEM 4 (f) RESOLUTION NO. 198-2001, AUTHORIZING A SECOND AMENDMENT TO THE PERSONAL SERVICES CONTRACT WITH CLAUDIA POLLEY, AN INDIVIDUAL, FOR ORGANIZATIONAL DEVELOPMENT AND RELATED SERVICES FOR THE AFRICAN AMERICAN MUSEUM TO INCREASE THE CONTRACT AMOUNT BY \$44,000 FOR A TOTAL AGGREGATE AMOUNT NOT TO EXCEED \$90,400, TO EXTEND THE TERM OF THE CONTRACT TO APRIL 15, 2001, AND TO REVISE THE METHOD OF PAYMENT; YERBA BUENA CENTER REDEVELOPMENT PROJECT AREA, BE ADOPTED.

PERSONS WISHING TO ADDRESS THE MEMBERS ON NON-AGENDA, BUT AGENCY-RELATED MATTERS

- Randall Evans

Mr. Evans requested that his group be considered as the fiscal agent for the Juneteenth Festival and requested an audit of last year's festival. Mr. Evans stated that he would send a letter to staff requesting the audit.

REPORT OF THE PRESIDENT

- President Yee inquired about the stoppage of work at the Third and Mission project by the Carpenter Company.

Executive Director Rosen informed the Commission that the work has not stopped and that she had a conversation with the Carpenter Company and was assured that work was proceeding, and that staff has been monitoring the project to ensure that the work is progressing.

- President Yee asked if the construction was on target and stated that he has driven by the site and noticed that the work does not seem to be in full operation and appeared slow.

Executive Director Rosen stated the schedule was delayed a bit due to problems encountered at the site, and that the work may have slowed down following the September 11th tragedy, but that the work was proceeding. Ms. Rosen stated that she would provide updated information on the status of the project.

- President Yee recalled that the Mayor's State of the City address spoke about the economic slow-down particularly following the September 11th events, and that the Mayor mentioned as one of his priorities that the Agency not only finance affordable housing, but actually build affordable housing. Mr. Yee stated that the Mayor also spoke about the Hunters Point Shipyard and that it seemed to Mr. Yee that the project was not moving forward and asked for a progress report.

Executive Director Rosen informed the President that the Commission would be briefed on the negotiations on the Shipyard at Closed Session.

- President Yee stated that the Agency can generate activity that would help stimulate the depressed economy by speeding-up projects within redevelopment project areas, such as the Fillmore district, the Bayview Hunters Point and the Third and Mission project.

REPORT OF THE EXECUTIVE DIRECTOR

- Board of Supervisors Housing, Transportation and Land Use Committee meeting was held on November 8th where the matter regarding the former Japantown Bowl site was continued and the Board adopted a resolution supporting community-based development of the Plaza Hotel. The Plaza Hotel resolution is before the full Board of Supervisors on November 19th.

- Library Commission meeting on November 28th at 1:00 p.m. in the Main Library Auditorium, regarding Mission Bay library.
- Art Commission meeting on December 3rd at 3:00 p.m. regarding transfer of the MUNI substation property to the Agency.
- Hunters Point Shipyard CAC Land Use Subcommittee workshops on phasing and infrastructure on Wednesday, November 14th from 6:15 to 8:30 p.m. at the Earl Mills Community Center, and a full CAC meeting on Monday, November 19th at 6:00 p.m. in the Southeast Community Facility.
- Habitat for Humanity dedication ceremony for 1378 Oakdale on December 1st at 11:00 a.m. – invitations will follow.
- City of Boston is holding a City to City visit with San Francisco and Silicon Valley, with a delegation of about 80 people arriving on Thursday and staying through Saturday evening, and Boston Mayor Nimino was heading the delegation. Ms. Rosen informed the Commission that she would be joining the Catellus staff at the Mission Bay Visitor Center on Saturday, November 17th at 11:00 a.m. to discuss the unique public/private partnership in the development of Mission Bay. Ms. Rosen stated that the delegation would also be touring the Yerba Buena Center for the Arts and PacBell Ballpark, as well as touring San Francisco's affordable housing developments led by the Mayor's Office of Housing.
- Ms. Rosen is attending a Housing Leadership Forum (representing San Francisco) sponsored by Fannie Mae on December 4th and 5th in Southern California, where housing leaders from the western United States will meet with local, State and Federal officials as well as developers, builders and financing institutions to explore with Fannie Mae how best to serve the low- and moderate-income families.
- Ms. Rosen was nominated by the Bay Area Fannie Mae office to serve on the National Housing Impact Advisory Council, which is comprised of 30 housing professionals, and if selected would meet quarterly with the CEO of Fannie Mae to discuss housing issues.

COMMISSIONERS QUESTIONS AND MATTERS

- Commissioner Romero agreed with President Yee's earlier remarks about speeding-up Agency projects to stimulate the economy, and the Commission would have the first opportunity with the Plaza Hotel project, assuming that the Board of Supervisors adopts the resolution urging the Agency to reconsider the Plaza Hotel. Mr. Romero stated that the Plaza Hotel has a developer that is ready to proceed and that the Commission should move ahead with that project and then move on with other projects. Mr. Romero commented that it has now been clarified by the Mayor and the Executive Director that there was room for everyone, whether they are non-profits, for-profits or the Agency and hoped that the Commission acts accordingly with the Board of Supervisors' request to reconsider the Plaza Hotel. Mr. Romero spoke about the importance of community support and the Plaza Hotel certainly had the support of the community who was heard, but unfortunately ignored, by the Commission. Mr. Romero stated that he hoped that the Commission has the courage to redress the wrong that was done on the Plaza Hotel project.
- Commissioner Foriest Settles congratulated Ms. Rosen for her nomination by Fannie Mae and hoped that she would be selected because she would make an excellent representative not only of the Commission, but the City as well.
- Commissioner Foriest Settles apologized for not being able to attend last week's Commission meeting, as she was in Miami Key West when hurricane Michelle hit and could not attend the meeting. Ms. Foriest Settles requested staff to have an on-going discussion with MUNI regarding their capacity to handle increased ridership as it relates to upcoming projects like Mission Bay. Ms. Foriest Settles expressed her support for more public transit and less parking. Ms. Foriest Settles requested a breakdown of the \$67,500 staff costs referred to in the Zeum matter. Ms. Foriest Settles inquired about when her earlier proposal for the Plaza Hotel would be on the Commission's agenda.

Executive Director Rosen informed Commissioner Foriest Settles that the matter would be calendared as soon as possible as staff was continuing to work on the matter.

- Commissioner Foriest Settles requested an update on the 827 Howard Street project and referred to materials she received.

Executive Director Rosen informed Commissioner Foriest Settles that the materials she received were submitted by an individual, and the matter will be before the Commission at its December 11th Commission meeting.

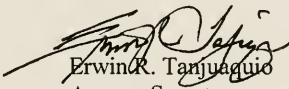
CLOSED SESSION

- (a) Pursuant to Government Code Section 54956.8 to instruct the Agency's real property negotiators regarding the Primary Developer, Lennar-BVHP for the Hunters Point Shipyard. Agency negotiators: Marcia Rosen, Darby Kremers, Kevin Warner, Don Capobres

ADJOURNMENT

It was moved by Mr. Dunlop, seconded by Mr. Singh, and unanimously carried that the meeting be adjourned. The meeting adjourned at 8:26 p.m.

Respectfully submitted,


Erwin R. Tanjanguio
Agency Secretary

APPROVED (AS AMENDED):

November 20, 2001

MINUTES OF A REGULAR MEETING OF THE
REDEVELOPMENT AGENCY OF THE CITY AND
COUNTY OF SAN FRANCISCO HELD ON THE
20TH DAY OF NOVEMBER 2001

The Commissioners of the Redevelopment Agency of the City and County of San Francisco met in a regular meeting at City Hall, 1 Dr. Carlton B. Goodlett Place, Room 416, in the City of San Francisco, California, at 4:00p.m. on the 20th day of November 2001, at the place and date duly established for holding of such a meeting.

The President called the meeting to order and on roll call the following answered present:

Benny Y. Yee, President
Leroy King, Vice President
Kathryn C. Palamountain
Michal Foriest Settles
Darshan Singh (arrived @ 4:10 p.m.)

and the following were absent:

Mark Dunlop
Ramon E. Romero

DOCUMENTS DEPT.

The President declared that a quorum was present.

SEP 13 2007

Marcia Rosen, Executive Director, and staff members were also present.

SAN FRANCISCO
PUBLIC LIBRARY

President Yee reminded the public of the Commission meeting rules and asked that cell phones and pagers be turned off.

Agency Commission Secretary Erwin R. Tanjuaquio announced that the regularly scheduled meeting of the Affordable Housing Committee for November 20, 2001 has been cancelled.

MATTERS OF NEW BUSINESS

CONSENT AGENDA

4 (a) Approval of Minutes: Meetings of November 6 and 13, 2001

Commission Secretary Erwin R. Tanjuaquio informed the Commission that page 8 of the November 13th minutes has been revised to accurately reflect Commissioner Palamountain's statements regarding the African-American Museum.

Commissioner Foriest Settles asked that page 12 of the November 13th minutes be corrected to delete the date references to Executive Director Rosen's statements regarding the scheduling of Commissioner Foriest Settles proposal on the Plaza Hotel.

**The Commission took a separate vote for each of the
November 6th and November 13th minutes**

ADOPTION: IT WAS MOVED BY MR. KING, SECONDED BY MS. PALAMOUNTAIN, AND UNANIMOUSLY CARRIED (MISTERS DUNLOP, ROMERO AND SINGH ABSENT) THAT ITEM 4 (a) APPROVAL OF MINUTES: MEETING OF NOVEMBER 6, 2001, BE ADOPTED.

ADOPTION: IT WAS MOVED BY MS. FORIEST SETTLES, SECONDED BY MR. PALAMOUNTAIN, AND UNANIMOUSLY CARRIED (MISTERS DUNLOP AND ROMERO ABSENT) THAT ITEM 4 (a) APPROVAL OF MINUTES: MEETING OF NOVEMBER 13, 2001 AS AMENDED, BE ADOPTED.

REGULAR AGENDA

- 4 (b)** Resolution No. 199-2001, Authorizing a Sixth Amendment to the Exclusive Negotiations Agreement with Lennar/BVHP, LLC, a California limited liability company, to Revise the Schedule of Performance and Budget and Extend the Term for 12 months; Hunters Point Shipyard Redevelopment Project Area

Presenters: Don Capobres (Agency staff), Roy Willis (Lennar/BVHP)

Speakers: Doris M. Vincent

President Yee recalled Mr. Capobres' presentation where he stated that the scheduled completion of the clean up for Parcel B was December 17th and asked if that schedule was still on target, given that it was already November 20th.

Mr. Don Capobres informed the Commission that as a result of the good work of Senator Feinstein's office, the Navy's fiscal year 2002 budget has been increased from \$9 million to \$51 million, and included in that increased budget was a specific scope of services for the completion of the clean-up for Parcel B as well as a characterization of Parcel E. Mr. Capobres stated that the Agency was looking for a conveyance of Parcel B in the summer of 2002 and that coincided with the scheduled for the completion of the exclusive negotiations with Lennar.

President Yee inquired about the Disposition and Development Agreement anticipation date with Lennar/BVHP.

Mr. Capobres informed the Commission that the anticipated date for the Disposition and Development Agreement was summer of 2002 and explained that the DDA was one of many transaction documents to be prepared at the conclusion of the exclusive negotiations period.

Commissioner King remarked that the Agency has been in the process for a year and that the Agency should move forward. Mr. King put forth a motion to adopt the item.

Commissioner Foriest Settles seconded the motion. Ms. Foriest Settles referred to Attachment D, page 8 of 8, and pointed out that list started out with "Number Four" and requested to see items "one through three" on the list.

Mr. Capobres stated that the numbering of the list was a typographical error and that there were no items one through three.

Agency General Counsel Bertha A. Ontiveros explained that the list started with "Number Four" because items one through three which were a part of the original list of milestones have been completed, and item four through six were part of the sixth amendment to the E.N.A.

ADOPTION: IT WAS MOVED BY MR. KING, SECONDED BY MS. FORIEST SETTLES, AND UNANIMOUSLY CARRIED (MISTERS DUNLOP AND ROMERO ABSENT) THAT ITEM 4 (b) RESOLUTION NO. 199-2001, AUTHORIZING A SIXTH AMENDMENT TO THE EXCLUSIVE NEGOTIATIONS AGREEMENT WITH LENNAR/BVHP, LLC, A CALIFORNIA LIMITED LIABILITY COMPANY, TO REVISE THE SCHEDULE OF PERFORMANCE AND BUDGET AND EXTEND THE TERM FOR 12 MONTHS; HUNTERS POINT SHIPYARD REDEVELOPMENT PROJECT AREA, BE ADOPTED.

- 4 (c) Resolution No. 200-2001, Approving the Selection of 62 Names of Pioneers and Heroes representing the Western Addition Area for Inclusion in the O'Farrell Street Plaza as part of the Fillmore Street Urban Design Streetscape Project; Western Addition Redevelopment Project Area A-2

Presenters: Shirley Wysinger (Agency staff)

Speakers: Sandy Mori, Mary Helen Rogers, Judi Nihei

Commissioner King stated that he agreed with Mary Rogers' comments that the list of names did not reflect the people who lived in Western Addition. Mr. King recalled that Reverend Dietrich of the Presbyterian Church and

Hannibal Williams who lived next door to Mr. King were some of the people that started WACO and WAPAC, and that people like Willie Brown, Earl Mills and Wilbur Hamilton were not yet around. Mr. King stated that he would like to table the matter and for staff to work with the community on refining the list of names. Mr. King stated that the names did not have accurate descriptions of the people's contributions to Western Addition. Mr. King commented that he did not need a consultant from KQED to tell him of the area's history, and that he has been disturbed with the list and the process used for selecting the names. Mr. King shared that he met with Mr. Wysinger and advised her that he was not comfortable with the list, but to go ahead with the item.

President Yee asked Commissioner King if his motion to table was for an indefinite time. Commissioner King affirmed.

Commissioner Foriest Settles stated that she had a couple of questions, the answers to which would determine if she would second the motion to table the matter. Ms. Foriest Settles asked about the composition of the committee that selected the names.

Ms. Shirley Wysinger informed the Commission that the committee had representatives from the African-American, Japantown and Jewish-American communities. Ms. Wysinger added that there was only one Jewish-American representative who responded to notices sent to various Jewish-American organizations, and that was Claire Isaacs.

Commissioner Foriest Settles asked about the criteria used for selecting the names.

Ms. Wysinger explained that the Agency and the committee first had to determine the time period upon which people's names were selected. Ms. Wysinger stated that at the outset of the process, the community wanted to recognize not only people who contributed many years ago, but also people who had recent contributions to Western Addition. Ms. Wysinger recalled a community meeting held in August 2001 where the committee reviewed the list of names and defined people's accomplishments in terms of pioneering contributions to the community, such as the first African-American Housing Authority Commissioner, the first African-American Mayor, and the first African-American Probation Officer. Ms. Wysinger stated that these names represented people's contributions from as early as the 1900's, and that one of the resources the committee used was a publication of the "Blacks in San Francisco between 1900 and 1954. Ms. Wysinger stated the publication mentioned Terry Francois' name, as well as Willie Brown and Dr. Goodlett and that the committee was able to gather additional descriptive information for these individuals. Ms. Wysinger pointed out that the descriptions contained in the Commission memorandum were for the Commission's

information, and that the extensive descriptions would be edited to fit the pavers. Ms. Wysinger informed the Commission that the contractor was waiting for the names to be finalized so that it could proceed with the construction, and that the committee was in agreement with naming the plaza after Gene Suttle (former Agency Senior Deputy Executive Director).

Commissioner Foriest Settles asked if the plaza was designed in such a way to accommodate future expansion to allow the addition of names.

Ms. Wysinger stated that the plaza was designed to only accommodate the proposed 62 names and that there were no plans for future expansion.

Commissioner Foriest Settles asked if the names and descriptions on the streetscape pavers in the Commission memorandum would be the descriptions on the actual pavers in the plaza. Ms. Foriest Settles asked why some of the pavers had two lines of descriptions and others had three lines.

Ms. Wysinger informed the Commission that the descriptions on the streetscape pavers were what would be constructed on the plaza. Ms. Wysinger explained that the pavers would be laid diagonally on the sidewalk and were intended to provide an artistic rhythm reminiscent of the area's jazz history, as one walks through the plaza and that the number of lines for each name simply represented a rhythmic sequence of the names.

Commissioner Foriest Settles pointed out an error on the description for number 37 on the list, which was for Willie B. Kennedy and that she was not the first African-American president of the BART. Ms. Foriest Settles stated that Margaret Pryor was the first African-American president of the BART and served many times as president during her many years with the BART.

Ms. Wysinger acknowledged the error and stated that it did not take away the fact that Willie B. Kennedy was the first African-American woman to serve on the Redevelopment Agency Commission.

Commissioner Palamountain thought that efforts to define a community was certainly a challenge and thanked staff, Mrs. Rogers and other members of the community who worked on the project. Ms. Palamountain recalled seeing the name of Terry Francois on the list and shared that he is one of her heroes because he was an attorney who worked on housing desegregation. Ms. Palamountain also recalled seeing the name of Josephine Cole who was the first African-American school teacher in San Francisco and stated that due to the importance of school teachers in our society, Ms. Palamountain was captivated to do more research about Ms. Cole. Ms. Palamountain shared that she was likewise interested in reading the name of Ichiro Takaoka, the first Japanese-American forcibly removed by the FBI following the attack on Pearl Harbor and commented that the time period in the country's history was not a

very proud moment. Ms. Palamountain shared that she was doing some research on the Internet about the San Francisco Museum that had photographs of that era in Western Addition and was amazed to see some of the same buildings that are still standing in the area. Ms. Palamountain expressed her appreciation to the committee in their efforts to educate her and other San Franciscans about the rich, diverse, sometimes tragic, sometimes uplifting history of San Francisco. Ms. Palamountain remarked that when she visits the completed plaza, she would stand in awe of the tremendous contributions of other San Franciscans who came before her, including her fellow Commissioner Leroy King whose name is scheduled to be included, and that she would be very proud of the people who have built the city she has come to call home. Ms. Palamountain put forth a motion to adopt the item.

Commissioner Singh asked who the members of the committee were and if they were present, in addition to Mary Rogers, Sandy Mori and Judi Nihei. Mr. Singh also asked if it was possible to add names, specifically those suggested by Mary Rogers and asked if there was a way to resolve Mrs. Rogers' concerns.

Ms. Wysinger stated that Mrs. Rogers, Ms. Mori and Ms. Nihei were the only members of the committee present, but that others have called in to recommend names of people to be included. Ms. Wysinger stated that she would continue to work with Mary Rogers to address her concerns, and pointed out that Mrs. Rogers has one focus on whose names should be on the plaza, but that the committee, of which Mrs. Rogers was a member, worked very hard to come to a consensus. Ms. Wysinger pledged to work with Mrs. Rogers to accommodate her concerns.

Commissioner Singh asked how long it would take to construct the project.

Ms. Wysinger informed the Commission that the staff and the contractor had planned on completing construction by December 1st, but that was no longer possible. Ms. Wysinger stated that staff needed a go-ahead from the Commission to begin the work of engraving the names on the pavers and subsequently installed on the sidewalk. Ms. Wysinger pleaded with the Commission that the Agency should move forward with this project. Ms. Wysinger informed the Commission that she would work with Mary Rogers to keep her name on the list as she had indicated that she did not want her name on the list, and pointed out that the community wanted Mrs. Rogers' name on the plaza.

President Yee reminded the Commission that there was a motion made by Commissioner King to table the matter indefinitely, and that no other Commissioner seconded the motion to table. Mr. Yee seconded Commissioner King's motion to table the matter indefinitely. Mr. Yee agreed with Mary Rogers' comments and that the committee did not seem to have an

agreed-upon set of criteria or standard for the selection of the names. Mr. Yee pointed out that the selection process needed refinement, in particular to avoid mistakes such as the one that was pointed out by Commissioner Foriest Settles (regarding Willie B. Kennedy). Mr. Yee suggested a more careful study of the process and stated that for these reasons, it was appropriate to delay the matter until the issues were resolved.

Commissioner Foriest Settles shared that when she first moved to San Francisco, she stayed at the Western Addition and her landlord was an employee of the Redevelopment Agency who always talked about Mary Rogers, and that she was saddened to hear that Mary Rogers did not want her name included. Ms. Foriest Settles expressed concern about the motion to table the matter because that would not provide closure, but acknowledged the need to move forward with the project and suggested engaging the community to have further discussion to attain consensus. Ms. Foriest Settles remarked that without Mary Rogers' name, there would not seem to be an accurate representation of the area's history. Ms. Foriest Settles expressed her support for tabling the matter in order to promote discussion. Ms. Foriest Settles asked if the Agency could hire someone to do biographies of the selected names and to chronicle these biographies in a book and placed in public libraries so that children and adults alike can benefit from the contributions of people like Mary Rogers. Ms. Foriest Settles suggested this undertaking as part of the outreach to the community.

Ms. Wysinger stated that staff was already on track on producing a comprehensive document that would provide detailed descriptions of people's contributions, and that she has a couple of recommendations of people to hire to do the biographies.

Commissioner King recalled that he told Ms. Wysinger that he did not want his name on the street because he is still living and did not want people walking on his name. Mr. King agreed with Commissioner Foriest Settles suggestions about doing more research and cited as an example, Reverend Haynes of the Third Baptist Church who struggled when he ran as the first African-American member of the Board of Supervisors. Mr. King commented that simply putting the names of people without their history and background was not enough and that most of the names did not have a role in the area's history. Mr. King reiterated that the reason for tabling the matter was to allow staff to conduct more research. Mr. King repeated that he did not want his name on the list and suggested that his oldest brother's name should be on the list because he was the first black to break the color barrier at Safeway and that he was the head of the boilermaker's union, and his brother and his wife were the first blacks to have a clothing store on Fillmore Street. Mr. King commented that the Fillmore Streetscape Project was to provide a linkage to the Jazz Preservation District in Western Addition.

Executive Director Rosen informed the Commission that the names project was part of the existing streetscape project for Fillmore Street, and that the Mayor's desire was to have the plaza completed in time for this year's holiday celebration. Ms. Rosen stated that she wanted to make sure that the Commission was aware that this work was part of the existing Bauman Landscape contract and delaying the matter indefinitely may have financial and time implications. Ms. Rosen informed the Commission that the descriptions of the names in the staff report were intended to provide a snapshot for the Commission's consideration, and that full descriptive biographies would be documented in some written fashion, the format for which has not yet been determined. Ms. Rosen stated that the pavers were relatively small in size and that they would contain two names, so there would be a need for supplemental educational information for each of the individuals, and that the pavers were to commemorate and inspire interest, but staff recognized that the educational and commemorative work needs to go further to chronicle the area's history. Ms. Rosen stated that there was an historian who was a consultant to the names project, and that the only publication on African-Americans in San Francisco was used as reference guide in the selection of the names. Ms. Rosen informed the Commission that there were five community meetings held and although it was not easy to reach consensus, the project had a consensus-building approach. Ms. Rosen stated that staff and the committee included the names that were suggested by Commissioner King. Ms. Rosen stated that Commissioners were notified of the public meetings and welcomed input from them, but hoped that the Commission had a plan of moving forward with the project.

President Yee detected a sense of urgency for completing the project and asked staff for a response.

Executive Director Rosen informed the Commission that the Mayor had indicated that he would like the project completed by December 1st and staff was now looking at January to complete the streetscape project.

Ms. Wysinger added that the streetscape project has a number of elements in it, one of which was the Geary Boulevard Bridge that would have Margaret Howard's "Three Shades of Blue" artwork as well as Quincy Troop's poem etched on the glass panels. Ms. Wysinger informed the Commission that staff was looking at January 2002 to complete the project, and advised that the banners and street lamps have been completed and installed, and that the concrete squares on the plaza were awaiting the engraving of the names.

President Yee asked how much time would be needed by the contractor to finish engraving the names.

Ms. Wysinger stated that the contractor would need about four weeks and that the whole streetscape project was hoped to be completed by February 2002.

Commissioner Palamountain asked if it was possible to put three names on the pavers since they were nine feet square.

Ms. Wysinger informed the Commission that there were restrictions on the size of the letters for the highest visual impact, and only two names with brief descriptions could be accommodated on each concrete square.

Commissioner Singh suggested using the same idea as the Hollywood Stars Walk-of-Fame and recommended that Commissioner King should be on the committee.

President Yee stated that he understood Mary Rogers' frustration about the process and that it was a good idea to table the matter so that the process could be revisited.

Commissioner Singh made a motion to table the matter for two weeks, as an amendment to the main motion to table indefinitely. Commissioner King seconded the motion to amend the main motion.

Commissioner Foriest Settles inquired about the specific date for the continuance to December 4th, and asked the Executive Director if staff would have enough time to do its work in time for the December 4th meeting.

Executive Director Rosen explained that staff would have to complete its work by the beginning of the week of November 26th in order to send the December 4th Agenda packets on Thursday (November 29th). Ms. Rosen stated that there appeared to be several ambiguities with the direction to staff, because members of the public and at least one Commissioner have stated that there were names that should not be on the list, as well as some people who were not on the list but should be on the list. Ms. Rosen stated that the Commission's direction was to consult with Mary Rogers, whose testimony was along the lines that there were people on the list that should not be there because the criteria she would use if she were making the decision were people who were deceased, and only certain people involved in parts of the history of Western Addition. Ms. Rosen pointed out that the selected names included the theme that was decided on for the streetscape and the public art, which provided a longer historical view of the area's history representing various diverse communities and not just the period of redevelopment. Ms. Rosen stated that it was not clear to her the direction of the Commission, when the public art that was approved and the poem that was composed represented three ethnic communities in the Western Addition over a long period of time, and the list of names reflects that history. Ms. Rosen stated that there was no criterion that one had to be deceased to be included and there was not a requirement that one had to be involved in community organizing related to redevelopment, to be included in the plaza. Ms. Rosen

stated that it was uncertain if all of those issues could be resolved in one week's time for the December 4th meeting. Ms. Rosen suggested an additional week for staff to consult with the community and interested Commissioners who would want to inform staff of their concerns.

MOTION: IT WAS MOVED BY MR. SINGH, SECONDED BY MR. KING, TO AMEND THE MOTION TO TABLE ITEM 4 (c) INDEFINITELY, TO TABLE ITEM 4 (c) TO THE COMMISSION MEETING OF DECEMBER 4TH, AND ON ROLL CALL, THE FOLLOWING VOTED "AYE":

Mr. King
Ms. Foriest Settles
Mr. Singh
Mr. Yee

AND THE FOLLOWING VOTED "NAY":

Ms. Palamountain

AND THE FOLLOWING WERE ABSENT.

Mr. Dunlop
Mr. Romero

THE SECRETARY DECLARED THE RESULTS OF THE ROLL CALL VOTE, FOUR (4) AYES, ONE (1) NO AND TWO (2) ABSENTS.

THE PRESIDENT THEREUPON DECLARED THAT THE MOTION CARRIED.

MOTION: IT WAS MOVED BY MR. KING, SECONDED BY MR. YEE, THAT ITEM 4 (c) RESOLUTION NO. 200-2001, APPROVING THE SELECTION OF 62 NAMES OF PIONEERS AND HEROES REPRESENTING THE WESTERN ADDITION AREA FOR INCLUSION IN THE O'FARRELL STREET PLAZA AS PART OF THE FILLMORE STREET URBAN DESIGN STREETScape PROJECT; WESTERN ADDITION REDEVELOPMENT PROJECT AREA A-2, BE TABLED AS AMENDED, TO THE COMMISSION MEETING OF DECEMBER 4TH, AND ON ROLL CALL THE FOLLOWING VOTED "AYE":

Mr. King
Ms. Foriest Settles
Mr. Singh
Mr. Yee

AND THE FOLLOWING VOTED "NAY":

Ms. Palamountain

AND THE FOLLOWING WERE ABSENT.

Mr. Dunlop

Mr. Romero

THE SECRETARY DECLARED THE RESULTS OF THE ROLL CALL VOTE, FOUR (4) AYES, ONE (1) NO AND TWO (2) ABSENTS.

THE PRESIDENT THEREUPON DECLARED THAT THE MOTION CARRIED.

PERSONS WISHING TO ADDRESS THE MEMBERS ON NON-AGENDA, BUT AGENCY-RELATED MATTERS

- Mary Helen Rogers, Bruce Allison, Claudia Cody

REPORT OF THE EXECUTIVE DIRECTOR

- Reported that on Saturday, November 17th, 40 children, infants and pre-school children with their parents from the South Beach neighborhood, participated in a hand-print making event at the South Beach Play area that the Agency will be constructing in the South Beach Park. Ms. Rosen stated that the children's handprints would be included in the play area design, and the construction was to begin in December and completed in February 2002.
- Announced that the Renaissance Entrepreneurship Business Center was now open, located at 3801 Third Street in the Bayview. The Center will have its official grand opening in early 2002.
- Announced the following events for Saturday, December 1st:
 - Habitat for Humanity celebration at 11:00 a.m. for 1378 and 1380 Oakdale Avenue; Giving of house keys to selected homeowners
 - South of Market Summer Youth Summit at the W Hotel from 9:00 a.m. to 2:00 p.m.
 - Fillmore Street Holiday lighting ceremony at 5:00 p.m.

- Announced that the Art Commission will be considering the Muni substation/Turk Street parcels transfer at their meeting of December 3rd at 3:00 p.m., 25 Van Ness Avenue (basement)
- Announced that the Board of Supervisors adopted a resolution urging the Agency Commission to reconsider the Plaza Hotel, at its November 19th meeting. The Japantown Bowl item was continued from November 8th to the December 13th Housing, Transportation and Land Use Committee of the Board of Supervisors.

Executive Director Rosen wished the Commissioners and the public a Happy Thanksgiving and good holiday.

COMMISSIONERS QUESTIONS AND MATTERS

- Commissioner Foriest Settles thanked Ms. Rosen for the well wishes. Ms. Foriest Settles requested to see the criteria that were used for the selection of the names for the Fillmore Plaza. Ms. Foriest Settles
- Commissioner Foriest Settles requested to have her earlier proposal regarding the Plaza Hotel calendared for the December 4th meeting.

Executive Director Rosen informed Commissioner Foriest Settles that she would not be in town on December 4th.

- Commissioner Foriest Settles expressed that she would like the Executive Director to be present when the matter is on the Agenda and requested that the matter be calendared for the November 27th meeting. Ms. Foriest Settles stated that the Commission did not officially vote upon her proposal, and that she would like to have the Commission take a formal vote on her proposal.
- Commissioner Foriest Settles requested that staff attending conferences and seminars prepare reports to the Commission
- Commissioner Foriest Settles requested that the winter schedule of the California Redevelopment Association's conferences and seminars be provided to the Commission.
- Commissioner Palamountain asked for the list of dates of workshops for the Hunters Point Shipyard environmental cleanup as well as the proposed Fiscal Plan. Ms. Palamountain expressed her concern about the scheduled consideration of the Plaza Hotel matter (on November 27th), that she would like to see beforehand specific details about the matter, in particular existing conditions report about not only the residential units, but the commercial space as well for the Plaza Hotel. Ms. Palamountain stated that this information would be important in casting a vote regarding the Plaza Hotel.

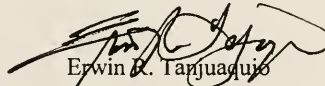
CLOSED SESSION

- (a) Pursuant to Government Code §54956.9(b), Conference with Legal Counsel regarding anticipated litigation: One potential case

ADJOURNMENT

It was moved by Mr. King, seconded by Ms. Foriest Settles, and unanimously carried that the meeting be adjourned. The meeting adjourned at 6:26 p.m.

Respectfully submitted,


Erwin R. Tanguay
Agency Secretary

APPROVED:

December 4, 2001

MINUTES OF A REGULAR MEETING OF THE
REDEVELOPMENT AGENCY OF THE CITY AND
COUNTY OF SAN FRANCISCO HELD ON THE
27TH DAY OF NOVEMBER 2001

The Commissioners of the Redevelopment Agency of the City and County of San Francisco met in a regular meeting at City Hall, 1 Dr. Carlton B. Goodlett Place, Room 416, in the City of San Francisco, California, at 4:00p.m. on the 27th day of November 2001, at the place and date duly established for holding of such a meeting.

The President called the meeting to order and on roll call the following answered present:

Benny Y. Yee, President
Leroy King, Vice President
Mark Dunlop
Kathryn C. Palamountain
Ramon E. Romero
Michal Foriest Settles
Darshan Singh

and the following were absent:

DOCUMENTS DEPT.

The President declared that a quorum was present.

SEP 13 2007

Marcia Rosen, Executive Director, and staff members were also present.

SAN FRANCISCO
PUBLIC LIBRARY

President Yee reminded the public of the Commission meeting rules and asked that cell phones and pagers be turned off.

Agency Commission Secretary Erwin R. Tanjuaquio announced that an overflow room has been provided in Room 406 for the public.

MATTERS OF NEW BUSINESS

CONSENT AGENDA

- 4 (a) Resolution No. 201-2001, Authorizing travel for Ayisha Benham, Deputy Executive Director, Finance and Administration to attend the Bond Buyer National Public Finance Conference on December 2-4, 2001 in New York at a cost not to exceed \$2,000.00

ADOPTION: IT WAS MOVED BY MR. KING, SECONDED BY MR. SINGH, AND UNANIMOUSLY CARRIED THAT CONSENT AGENDA ITEM 4 (a) RESOLUTION NO. 201-2001, AUTHORIZING TRAVEL FOR AYISHA BENHAM, DEPUTY EXECUTIVE DIRECTOR, FINANCE AND ADMINISTRATION TO ATTEND THE BOND BUYER NATIONAL PUBLIC FINANCE CONFERENCE ON DECEMBER 2-4, 2001 IN NEW YORK AT A COST NOT TO EXCEED \$2,000.00, BE ADOPTED.

REGULAR AGENDA

- 4 (b) Resolution No. 202-2001, Authorizing a Personal Services Contract in an amount not to exceed \$55,000 with the Fillmore Jazz Preservation District Merchants Association to produce the 2001 Fillmore Jazz Preservation District Holiday Celebration; Western Addition Redevelopment Project Area, A-2

Presenters: Shirley Wysinger (Agency staff)

Speakers: Nontsizi Cayou, Jim Larkin, Essie Collins, J. Kevin Jefferson III, Bobby Webb, Sandra Myle, Mel Simmons

Commissioner Singh put forth a motion to adopt item 4 (b).

Commissioner Foriest Settles seconded the motion. Ms. Foriest Settles asked the following questions of staff: (1) What has the annual holiday celebration meant to the merchants on Fillmore Street; (2) Referred to the staff memorandum that spoke about an eight-block area for the parade, and asked if the eight-block area had been traditionally eight blocks; (3) Referred to Attachment A of the staff memorandum regarding the proposed budget, and asked if the expenses identified for staff support were for the temporary staff for the event; (4) Why were there only five people proposed to be hired compared to 21 for the previous year; and (5) Referred to Attachment B of the staff memorandum and asked who the staff representative was for this contract.

Ms. Wysinger stated that she did not have the information about what the holiday celebration has meant to the merchants on Fillmore, but that she would provide the information to the Commission. Ms. Wysinger informed the Commission that the parade area encompassed eight blocks due to the extension of the streetscape project for one additional block from Golden Gate Avenue to McAllister Street. Ms. Wysinger asked Mr. Jim Larkin to provide a response. Mr. Larkin explained that the expenses were for office support to pay five people to help with gift wrapping and sales job to promote the event and to recruit volunteers for the celebration. Mr. Larkin stated that the number of people to be hired was based upon the design of this year's holiday celebration. Ms. Wysinger stated that Ms. Ayisha Benham, the Agency's Deputy Executive Director for Finance and Administration, was the staff representative.

Commissioner Dunlop expressed his support for the project and that he was honored to attend last year's lighting ceremony, but was concerned with the meager attendance. Mr. Dunlop asked if there were more promotional efforts being done to increase the participation and attendance. Mr. Dunlop recalled that there was not much lighting at last year's ceremony and asked if there would be more this year. Mr. Dunlop inquired about the planning for the annual event and commented that staff should not wait to bring the matter to the Commission one week before the scheduled ceremony. Mr. Dunlop stated that the Agency should be approving this project in the month of September, not in November. Mr. Dunlop suggested that the merchants association seek other funding resources like the Mayor's Office of Community Development.

Ms. Wysinger informed the Commission that additional outreach was being done by the merchants association with advertising and flyers. Ms. Wysinger stated that the merchants would be installing lights on street trees that have been planted, as well as new street lights installed as part of the streetscape project would enhance the overall lighting of Fillmore Street. Ms. Wysinger stated that the merchants worked diligently to prepare its budget and was not able to complete all the work until November, but that staff would work with the merchants association to do the planning well in advance for next year's ceremony.

President Yee echoed the Commissioners' comments, expressed his support for the project and that he was looking forward to the December 1st lighting ceremony.

ADOPTION: IT WAS MOVED BY MR. SINGH, SECONDED BY MS. FORIEST SETTLES, AND UNANIMOUSLY CARRIED THAT ITEM 4 (b) RESOLUTION NO. 202-2001, AUTHORIZING A PERSONAL SERVICES CONTRACT IN AN AMOUNT NOT TO EXCEED \$55,000 WITH THE FILLMORE JAZZ PRESERVATION DISTRICT MERCHANTS ASSOCIATION TO PRODUCE THE 2001 FILLMORE JAZZ PRESERVATION DISTRICT HOLIDAY CELEBRATION; WESTERN ADDITION REDEVELOPMENT PROJECT AREA, A-2, BE ADOPTED.

Items 4 (c) and (d) were presented together and acted upon separately

- 4 (c) Resolution No. 203-2001, Conditionally Approving the Schematic Design for the proposed 29 unit residential development located at 474 Natoma Street; South of Market Earthquake Recovery Project Area

- 4 (d)** Resolution No. 204-2001, Authorizing a First Amendment to the Development and Disposition Agreement with Asian, Inc., a California nonprofit public benefit corporation, to Modify the Schedule of Performance for the opening of escrow, in conjunction with the construction of 29 low and moderate ownership units, 474 Natoma Street; South of Market Earthquake Recovery Project Area

Presenters: Kate Hartley, Elena Branick (Agency staff), Clem Soga (architect)

Speakers: Charles Range

Commissioner Romero put forth a motion to adopt item 4 (c).

Commissioner Foriest Settles seconded the motion. Ms. Foriest Settles stated that she liked the design of the building and was interested in the building materials. Ms. Foriest Settles recalled Mr. Range's statements about the proposed child-care facility and stated that the building design should accommodate the possible inclusion of a child-care facility in the development. Ms. Foriest Settles asked the following questions: (1) what was the criteria used to determine the unit types (1-bedroom, 2-bedroom, 3-bedroom); (2) what was the data used to determine if the development was for family or single housing; (3) how are parking spaces allocated, given that only 15 spaces would be provided for a 29-unit development; and (4) has the process for selecting potential homebuyers begun.

Ms. Hartley informed the Commission that the determination for the unit sizes was site specific and what could be built on the site. Mr. Olson Lee informed that Commission that the Agency conducted surveys to determine what types of housing units were needed, including rental or ownership units. Mr. Lee stated that the types of units were determined primarily by the desire of the community as expressed by the Project Area Committee, as well as market studies that were conducted. Mr. Lee stated that the market studies determined the need for family units as well as ownership units and that was what was proposed for 474 Natoma. Ms. Hartley informed the Commission that it was still early in the development process and allocation of parking spaces have not yet been determined, but that a lottery would be a fair and the traditional way of allocating the parking spaces. Ms. Hartley informed the Commission that Asian Inc. has already begun working with SFHDC to screen and assist potential homebuyers, specifically with qualifying future buyers with credit verifications as well as establishing savings accounts. Ms. Hartley explained that buyers would not be identified until the development was nearly completed in order to get up-to-date bank statements, employment and income information, etc.

Commissioner Foriest Settles thanked staff for its hard work and congratulated everyone for a wonderful project.

Commissioner Palamountain confirmed the location of 474 Natoma with staff and both 474 and 475 Natoma projects were developed by Asian Inc. Ms. Palamountain complemented the architectural and housing staff for providing 3-bedroom units and asked what the affordability level was for the development.

Ms. Hartley informed the Commission that the average affordability level was 80% of the Area Median Income (AMI) with a range of between 65% to 90% of AMI.

Ms. Palamountain asked what the limit was for the number of people that would reside in a 3-bedroom unit.

Ms. Hartley responded that a minimum of four people would reside in a 3-bedroom unit.

Ms. Palamountain asked what the income limit was for a family of four.

Executive Director Rosen informed the Commission that the median income for a family of four was \$80,100, which was 100% of the AMI. Ms. Rosen explained that a family of four would need to have an income that was between 65% and 90% of that figure to qualify to purchase a 3-bedroom unit.

Ms. Palamountain asked which units would have what range of affordability level.

Ms. Hartley explained that affordability levels were not assigned specifically to units, and that the goal was to achieve a range of affordability across the board. Ms. Hartley stated that it was difficult to ascertain which units would have what affordability range given that it was unknown what buyers would come in with what incomes and the developer would do its best to pre-qualify buyers to achieve the desired affordability levels with the subsidies.

Ms. Palamountain expressed her preference for achieving the deepest level of affordability, especially for the 3-bedroom family units. Ms. Palamountain asked what synthetic plaster was and its durability.

Mr. Clem Soga, Architect, passed out a sample of the synthetic plaster to the Commission and explained that the synthetic plaster was manufactured differently than traditional plaster. Mr. Soga stated that the synthetic plaster was more durable because of an elastic component that allows the material to breathe and resist cracking.

Ms. Palamountain stated that she was encouraged that there were communications with the PAC about the building materials and design, and

hoped that that would continue because public input was very important. Ms. Palamountain asked where the mural or public art would be located.

Ms. Elena Branick informed the Commission that the mural, which bears the name of the project, would be at the ground level on Natoma Street.

Ms. Palamountain commented that it was a great idea to have community accessible electric cars, but that community-wide access to the garage may pose a security issue for the development, and would be very interested in learning how the security issue would be addressed. Ms. Palamountain expressed her preference for licensed care proposed for the after-school care facility and suggested coordination with child-care providers in order to build according to the needs of the community.

Commissioner Singh asked who would be using the electric cars.

Ms. Hartley informed the Commission that the electric cars idea was just a concept proposed by the developer and details such as the car-sharing program, security issues and funding requirements have not yet been determined. Ms. Hartley stated that the electric cars were proposed to address the transit-first policies of the Planning Department, and that the residents of the development would have primary access to the electric cars.

Mr. Singh inquired about the loan repayment terms for the \$5.7 million subsidy and asked how much would the Agency get back.

Ms. Hartley informed the Commission that the developer's obligations under the loan was to sell the homes to qualified low and moderate income buyers, and as they sell the units, their repayment obligations would be released on a per-sale basis.

Mr. Singh stated that the Agency was giving the loan and asked how the Agency would be paid back and when.

Ms. Hartley stated that the Agency was not going to get cash repayments, but that the Agency would get the developer's obligation to sell to low and moderate income buyers, including security instruments that would keep the units permanently affordable.

Executive Director Rosen explained that the Agency was subsidizing the development in order to make the units affordable to low and moderate income households. Ms. Rosen pointed out that the cost for these units was the same for market-rate, luxury housing except for granite countertops, but that the units would have standard finishes and high quality construction, and the only difference was that these units would be sold to low and moderate income people. Ms. Rosen stated that the subsidy per unit was an average of

\$185,000 in order to make the units affordable to lower income households. Ms. Rosen explained that the Agency would not be getting any money back, and that tax increment subsidy of \$5.7 million was for the permanent affordability of the units. Ms. Rosen stated that the subsidy would allow people with incomes between \$52,000 and \$72,000 to afford to buy decent homes in an area with high-cost housing.

Mr. Singh asked if the Agency's was getting any money back from the loan.

Ms. Hartley stated that \$1.3 million from the \$5.7 million total loan would be repaid back to the Agency from sales revenue.

Mr. Singh pointed out that the funding should not be called a loan and suggested calling it something else. Mr. Singh stated that he understood the explanations.

Commissioner Dunlop commented that the project was very attractive and that rental housing might be better suited for the area. Mr. Dunlop remarked that there was no mention of bicycle parking.

ADOPTION: IT WAS MOVED BY MR. ROMERO, SECONDED BY MS. FORIEST SETTLES, AND UNANIMOUSLY CARRIED THAT ITEM 4 (c) RESOLUTION NO. 203-2001, CONDITIONALLY APPROVING THE SCHEMATIC DESIGN FOR THE PROPOSED 29 UNIT RESIDENTIAL DEVELOPMENT LOCATED AT 474 NATOMA STREET; SOUTH OF MARKET EARTHQUAKE RECOVERY PROJECT AREA, BE ADOPTED.

Commissioner Romero put forth a motion to adopt item 4 (d).

Commissioner Palamountain seconded the motion.

Commissioner Foriest Settles verified that the units will remain affordable and asked if there would be a homeowner's association to take care of future maintenance of the housing units, and if the Agency would be involved in the homeowner's association.

Ms. Hartley informed the Commission that the units will be permanently affordable and a homeowner's association would be formed. Ms. Hartley stated that the Agency would not be involved with the homeowner's association and added that the Agency would be involved only in the re-sale of units.

Ms. Foriest Settles asked if the Agency would become an interim owner when a unit is sold.

Ms. Hartley explained that the Agency would not be an interim owner, but that the Agency has a right of first refusal and would monitor the long-term affordability of the unit to ensure that subsequent buyers qualify for the affordability range.

Executive Director Rosen added that the mechanism in place generally, was to provide a certain time period to market the unit to allow a qualified buyer to purchase the unit and the Agency would retain the right of first refusal, so that if the sale is not proceeding to a qualified buyer, the Agency could purchase the unit and transfer it to another qualified buyer. Ms. Rosen stated that the development would also have the requirement that the units be owner-occupied, and that the Agency would monitor both the owner-occupancy and resale of the units at affordable prices to qualified buyers.

President Yee inquired about the future resale of the units and asked if there would be any profit sharing between the Agency and the owner. Mr. Yee asked what the percentage of profit would be for the prior owner and future buyer.

Ms. Hartley explained that the Agency would expect the resale of units at certain affordability levels, so that if incomes rise at that affordability level, a homeowner may be able to share in the profit of the increased sales price which is based upon the subsequent owner's income. Ms. Hartley stated that the prior owner would also be able to recoup funds used for the down payment and costs for any home improvements to the unit. Ms. Hartley stated that there would be no profit shared between the prior owner and the Agency because the units would be sold to low and moderate income buyers where the purchase price would be tied to those income levels, which rise according to the HUD guidelines at two to four percent, the homeowner may be able to recoup that increase, but that would be marginal and would not be reflective of current market trends.

Ms. Rosen added that President Yee was correct in remembering that there were two mechanisms that the City and the Agency uses in ensuring permanent affordability, one was the shared appreciation model where the owner could sell the unit at the market price and share the appreciation with the City or the Agency. Ms. Rosen explained that the difficulty with that model was that the resale of the unit to a low or moderate-income buyer would require deeper subsidies from the Agency or the City. Ms. Rosen stated that the other mechanism was to establish a restricted resale price that was relative to the income level, and this was the method that would be used for 474 Natoma which makes it easier to maintain the affordable housing stock and give access to low and moderate-income households over the long term.

Commissioner Singh asked what was the percentage of resale.

Ms. Rosen explained that under the Tax Increment program, there was no restriction on resale, but for other subsidies and tax benefits, and a mortgage credit certificate was being used, the property must be held for a certain period of time. Ms. Rosen stated that the City's portfolio of affordable ownership units generally have not experienced more than a seven to ten percent turnover rate because people that have the opportunity to purchase the affordable housing usually become long-term homeowners.

ADOPTION: IT WAS MOVED BY MR. ROMERO, SECONDED BY MS. PALAMOUNTAIN, AND UNANIMOUSLY CARRIED THAT ITEM 4 (d) RESOLUTION NO. 204-2001, AUTHORIZING A FIRST AMENDMENT TO THE DEVELOPMENT AND DISPOSITION AGREEMENT WITH ASIAN, INC., A CALIFORNIA NONPROFIT PUBLIC BENEFIT CORPORATION, TO MODIFY THE SCHEDULE OF PERFORMANCE FOR THE OPENING OF ESCROW, IN CONJUNCTION WITH THE CONSTRUCTION OF 29 LOW AND MODERATE OWNERSHIP UNITS, 474 NATOMA STREET; SOUTH OF MARKET EARTHQUAKE RECOVERY PROJECT AREA, BE ADOPTED.

Items 4 (e) and (f) were presented together and acted upon separately

- 4 (e) Resolution No. 205-2001, Authorizing a Second Amendment to the Community Development Block Grant Loan Agreement with GP/TODCO-A, a California nonprofit public benefit corporation, to Amend the Schedule of Performance for the Acquisition and Rehabilitation of the Delta Hotel, 80-88 Sixth Street; South of Market Earthquake Recovery Redevelopment Project Area
- 4 (f) Resolution No. 206-2001, Authorizing a First Amendment to the Tax Increment Affordable Housing Program Loan Agreement and a First Amendment to the Promissory Note with GP/TODCO-A, a California nonprofit public benefit corporation, to Amend the Repayment Terms of the Loan for the Acquisition and Rehabilitation of the Delta Hotel, 80-88 Sixth Street; South of Market Earthquake Recovery Redevelopment Project Area

Presenters: Vanessa Dandridge (Agency staff)

Speakers: Antoinetta Stadlman, Tracy Aubuchon, Charles Range, Richard Gross

Commissioner Romero recalled when the project was first before the Commission a couple of years ago, and remembered the over 200 people, most of whom were Filipino World War II veterans attending the meeting. Mr. Romero shared that his 81-year-old father was also a veteran and remarked that if the project was furthered delayed, there may not be any

veterans left to benefit from the housing. Mr. Romero put forth a motion to adopt item 4 (e).

Commissioner Foriest Settles seconded the motion. Ms. Foriest Settles inquired about the 11% increase in the budget amounting to \$2,000,000.

Ms. Dandridge informed the Commission that part of the increase in the budget was due to the fact that the Agency's initial funding commitment, when the sponsor applied for tax credit financing, was based on the preliminary hard cost estimates. Ms. Dandridge added that at the time of the initial funding request, the sponsor unfortunately had not completed all of the exploratory work required to arrive at a comprehensive cost estimate for the rehabilitation. Ms. Dandridge stated that due to the fact that the sponsor was obtaining a larger loan amount, the associated points and fees have also increased resulting in higher soft costs.

Ms. Foriest Settles referred to the statement in the staff report that GP/TODCO was seeking other funds to make the project feasible, and asked if there was a back-up plan should the funds not become available in a timely manner.

Ms. Dandridge stated that staff anticipated that the back-up plan would be that the sponsor would request additional funding from the Agency Commission should other funding sources not materialize. Ms. Dandridge explained that the CDBG funds are to be repaid at the completion of construction. If the project-based Section 8 and Affordable Housing Funds that have been requested are not obtained, staff anticipated that some or all of the repayments due to the Agency would have to be converted to permanent subsidies for the project.

Ms. Foriest Settles asked for the status of the 216 people that have been displaced as a result of the 1997 fire.

Ms. Theresa Yanga, Project Manager for the Delta Hotel, informed the Commission that about 50% of the tenants were veterans, and approximately 10% of those have returned to the Philippines. Ms. Yanga stated that a number of the senior tenants were given priority to move into other TODCO senior housing developments to assist them following the fire, and others have relocated to local residential hotels and those were the tenants that have expressed the desire to move back into the rehabilitated Delta Hotel.

Ms. Foriest Settles asked if the Agency had any legal obligations to the people that have been displaced.

Ms. Rosen stated that the displacement was a result of the fire and not due to redevelopment action, so there was not the ordinary relocation obligation

however, the Agency was still requiring the developer to give first consideration to those tenants that were displaced.

Mr. Olson Lee affirmed and added that the Agency has included additional funds in the soft cost budget to assist those moving back to the Delta Hotel with moving and related expenses.

Ms. Foriest Settles asked what happened to the community centers that were in the Delta Hotel.

Ms. Rosen stated that the community centers were not in the Delta Hotel and that these would be new social service facilities that the affordable housing development would help make happen for the South of Market community.

Ms. Foriest Settles referred to the Loan Committee attachment to the staff report that suggested a decrease in the amount of reserves for the project, and asked for the rationale for decreasing the reserves in light of increasing replacement costs.

Ms. Dandridge stated that there were underwriting guidelines used to determine the level of reserves for financing both new construction and substantial rehabilitation, and staff had calculated that the amount of reserves were being over-funded above the regular standards. Ms. Dandridge stated that the amount of reserves was requested to be decreased to ensure that Agency funds were repaid so that funds would be available to do other projects.

Ms. Rosen added that a standard underwriting criteria was established to ensure sufficient reserves to cover projected expenses and enough cash flow to augment the reserves. Ms. Rosen stated that the project sponsor proposed more than double the normal amount that was ordinarily required, which was called a capitalized reserve that would increase the front-end budget and the additional funds placed in a special account. Ms. Rosen explained that it was not necessary to do that and it would increase the gap that they actually had in the funds that they had in hand and the amount of their budget. Ms. Rosen stated that the project could still be prudently managed with a lower reserve amount, and that hopefully the project would get the Section 8 funding to have the necessary cash flow to augment the reserve funds.

Commissioner Singh commented that he was glad to hear that there will be a Filipino-American Community Center in the Delta Hotel. Mr. Singh inquired about the lease terms for the community center and asked what would happen at the end of the 20-year lease term of \$1.00 per year.

Ms. Dandridge stated that TODCO anticipated refinancing the commercial space at the end of the 20-year time period.

Ms. Theresa Yanga of TODCO informed the Commission that the lease for the Filipino-American Development Foundation would increase at the end of the 20-year lease term in order to help pay for the mortgage and refinancing of the commercial space.

Mr. Singh suggested increasing the lease from 20 years to 50 years.

President Yee asked the Agency General Counsel for advice regarding Mr. Singh's suggestion.

General Counsel Bertha A. Ontiveros stated that the item before the Commission was an extension of the term and not a change in the terms of the loan.

Mr. Singh expressed his preference for a longer lease term for the community center. Mr. Singh inquired about the bridge loan of \$1.1 million that was to be converted to a permanent loan, and asked if the Agency would get paid back for the loan.

Ms. Rosen stated that the current plan was for the sponsor to raise the other funds through other sources and they would repay the bridge loan. Ms. Rosen stated that staff was asking for a change in the term in which the loan would be repaid.

Mr. Singh asked if staff had the list of people displaced from the Delta Hotel.

Ms. Rosen stated that she did not believe that the Agency maintained the list because the tenants were not part of the Agency's relocation program, but that TODCO was the landlord for most of the displaced tenants and they have been in touch with the tenants that want to move back into the rehabilitated Delta Hotel.

Mr. Singh inquired about the \$12 million equity investment and asked what percentage of the property the investor would own.

Ms. Rosen informed the Commission that the proposed development was being financed with the low-income housing tax credit, and under that Federal program governed by Federal law, an investor makes an equity contribution in exchange for receiving a tax credit on the investment. Ms. Rosen explained that the proposed development has an estimated cost of \$19 million with \$12 million coming from the private investor representing a significant amount of equity investment, making the private investor a limited partner of the development and TODCO as a managing general partner.

Mr. Singh expressed his support for the project and thanked the Executive Director for her responses.

President Yee asked if the time that have elapsed for the development process was considered lengthy, considering that the property was acquired in 1999.

Ms. Dandridge stated that generally, the clock starts when project is fully financed. For the Delta Hotel all of the financing was secured in the fall of 2000 with the completion of the rehabilitation scheduled at the end of 2002. Ms. Dandridge stated that a two-year time period was reasonable.

Mr. Yee asked if the December construction start date was a drop-dead date and asked if the project would lose the tax credit funds if it did not start construction by December 31, 2001.

Ms. Dandridge stated that the critical date was the completion of construction which was estimated to take 12 months with completion at the end of 2002, and that the project sponsor had already obtained building permits and it was likely that construction would begin before December 31st. Ms. Dandridge stated that the tax credit would be lost if the project construction was not completed by the end of 2002.

Mr. Yee verified that private lenders are the ones that apply for Affordable Housing Program (AHP) funds and not non-profit developers.

Ms. Dandridge affirmed that Federal Home Loan bank members sponsor AHP applications on behalf of non-profit developers.

Mr. Yee referred to the staff report that stated TODCO directly applied for the AHP funds and asked how TODCO could apply without a private lender who was a member of the Home Loan Bank.

Ms. Dandridge stated that TODCO was diligent in identifying a lender and did submit an application in October.

Mr. Yee asked how TODCO as a non-profit developer, could apply for the AHP funds without a private bank.

Ms. Rosen informed the Commission that President Yee was correct, and that technically, TODCO found a lender to apply on their behalf and when the staff report stated that they (TODCO) applied, it meant that the project sponsor found a lender to apply on their behalf. Ms. Rosen added that TODCO used a short cut, using their own initiative and good standing in the lending community to identify a private lender that would apply on their behalf.

Mr. Yee asked why the Commission should support staff's recommendation to increase TODCO's developer fee, which was equivalent to \$300,000. Mr. Yee referred to page 13 of the staff report.

Ms. Dandridge explained that TODCO was requesting \$63,000 but were eligible for \$100,000 annually, times three. Ms. Dandridge stated that staff was trying to convey that TODCO was not making the full request of project-based administrative costs that they were eligible for. Ms. Dandridge pointed out that TODCO has not formally made a request to increase the developer fee.

Mr. Yee verified that staff would recommend increasing the developer's fee should TODCO request it. Ms. Dandridge affirmed.

Ms. Rosen added that was in the Loan Committee evaluation because project managers evaluate requests from developers in comparison to adopted underwriting developer fee criteria. Ms. Rosen pointed out that San Francisco's Developer Fee Policy limits developer fees to 50% of what developers would be qualified for under the State program and what other developers in other counties do get. Ms. Rosen stated that in this case, staff was simply saying that TODCO's request was less than one-third of the amount that they would be eligible for under the Agency's/City's standard policy, and that TODCO was not requesting that and staff was not asking the Commission to authorize such a request.

Mr. Yee pointed out that the language in the staff report stated, encouraging the sponsor to request an increase of the developer fee.

Ms. Rosen clarified that the staff report actually stated that staff would recommend increasing the fee if such a request was made, but the Loan Committee did not support that recommendation, and no request was made by TODCO. Ms. Rosen commented that TODCO was willing to accept a substantially below-market and below-standard administrative fee, and thought that might demonstrate their commitment to doing the project and bearing responsibility for the budget implications.

Mr. Yee asked why the project sponsor did not secure private financing since it was a rehabilitation project.

Ms. Dandridge stated that the construction loan was being provided by the City's Unreinforced Masonry Building (UMB) loan program, but the permanent or mortgage financing for service-enriched housing such as the Delta Hotel, does not support a conventional loan and that was why the sponsor did not seek a permanent loan for the project.

Mr. Yee asked what the annual tax credit that was awarded to the project.

Ms. Theresa Yanga informed the Commission that the annual tax credit amount over a ten-year period, would be \$1.5 million for a total of \$15 million.

Commissioner Palamountain commended TODCO for taking on such an important community project involving 152 units of some of best affordability levels at 50% of Area Median Income. Ms. Palamountain stated that the Agency was providing quality housing to the neediest of people, people who defended our country and maybe the free world in our time of greatest need. Ms. Palamountain stated that it was refreshing to have a developer experiencing a budget shortfall of \$2 million, and instead of looking first to the taxpayers and the Agency to make up the difference, instead turns to other funding sources and was really creative about different ways to do that. Ms. Palamountain expressed her support for the project and commented that TODCO has done a good job in securing financing for the project.

Ms. Palamountain called the matter to question.

ADOPTION: IT WAS MOVED BY MR. ROMERO, SECONDED BY MS. FORIEST SETTLES, AND UNANIMOUSLY CARRIED THAT ITEM 4 (e) RESOLUTION NO. 205-2001, AUTHORIZING A SECOND AMENDMENT TO THE COMMUNITY DEVELOPMENT BLOCK GRANT LOAN AGREEMENT WITH GP/TODCO-A, A CALIFORNIA NONPROFIT PUBLIC BENEFIT CORPORATION, TO AMEND THE SCHEDULE OF PERFORMANCE FOR THE ACQUISITION AND REHABILITATION OF THE DELTA HOTEL, 80-88 SIXTH STREET; SOUTH OF MARKET EARTHQUAKE RECOVERY REDEVELOPMENT PROJECT AREA, BE ADOPTED.

ADOPTION: IT WAS MOVED BY MR. ROMERO, SECONDED BY MR. DUNLOP, AND UNANIMOUSLY CARRIED THAT ITEM 4 (f) RESOLUTION NO. 206-2001, AUTHORIZING A FIRST AMENDMENT TO THE TAX INCREMENT AFFORDABLE HOUSING PROGRAM LOAN AGREEMENT AND A FIRST AMENDMENT TO THE PROMISSORY NOTE WITH GP/TODCO-A, A CALIFORNIA NONPROFIT PUBLIC BENEFIT CORPORATION, TO AMEND THE REPAYMENT TERMS OF THE LOAN FOR THE ACQUISITION AND REHABILITATION OF THE DELTA HOTEL, 80-88 SIXTH STREET; SOUTH OF MARKET EARTHQUAKE RECOVERY REDEVELOPMENT PROJECT AREA, BE ADOPTED.

Items 4 (g), (h) and (i) were presented together and acted upon separately

- 4 (g) Resolution No. 207, 2001, Authorizing an Assignment and Assumption Agreement with San Francisco Housing Development Corporation, a California nonprofit public benefit corporation, for the Purchase of real property located at 4800 Third Street in the amount of \$625,000 and related costs including a \$100,000 Lease Termination Payment, \$10,000 in closing costs and \$50,000 in other related costs for a total amount not to exceed \$800,000, in conjunction with the development of very low and low income rental housing and ground floor commercial space within the Bayview Hunters Point Redevelopment Survey Area; Citywide Tax Increment Housing Program
- 4 (h) Resolution No. 208-2001, Authorizing an Exclusive Negotiations Agreement with San Francisco Housing Development Corporation, a California nonprofit public benefit corporation, leading to the long term ground lease of 4800 Third Street, within the Bayview Hunters Point Redevelopment Survey Area, in conjunction with the development of very low and low income rental housing and ground floor commercial space; Citywide Tax Increment Housing Program
- 4 (i) Resolution No. 209-2001, Authorizing a Tax Increment Predevelopment Loan Agreement in an amount not to exceed \$400,000 to San Francisco Housing Development Corporation, a California nonprofit public benefit corporation, in conjunction with the development of very low and low income rental housing and ground floor commercial space at 4800 Third Street, within the Bayview Hunters Point Redevelopment Survey Area; Citywide Tax Increment Housing Program

Presenters: Matthew Schwartz (Agency staff)

Speakers: Daniel Dodt, James L. Martin, Regina Davis, Michael Harris, Cherene Sandidge

Commissioner Romero shared that he has a full-time job and does not have the time to attend the PAC meetings, but that when members of the PAC come to the meeting and address the Commission, he listened to them carefully. Mr. Romero stated that he had always supported the PAC's request for funding and he heard them state that they were not happy with the way the project was handled, but recommended the Commission's approval. Mr. Romero commented that the Bayview PAC was one of the better PACs that the Agency had and expressed his concern that the developer must work closer with the PAC. Mr. Romero put forth a motion to adopt item 4 (g) and advised that the developer work closer with the PAC in order to iron out any differences before the project comes before the Commission.

Commissioner Dunlop seconded the motion to adopt item 4 (g). Mr. Dunlop thanked Mr. Schwartz and PAC members, as well as Mr. James Martin on his chairmanship of the PAC. Mr. Dunlop commented that there seemed to have been a misunderstanding, but that had been resolved and he was glad to hear that there were plans for open communication between the PAC and the developer. Mr. Dunlop stated that was a good beginning for a very exciting project that would produce needed housing in the community. Mr. Dunlop hoped that with the help of the PAC and SFHDC, the project could move forward and wished them good luck.

Commissioner King thanked members of the PAC in attendance and stated that they were doing a great job in keeping the community going. Mr. King commented that the Agency may have dropped the ball, but that was in the past and the PAC and the project had the full support of the Commission. Mr. King recalled making the motion to form SFHDC because there were no black developers and thanked Mr. Michael Harris for the hard work. Mr. King expressed his support for the project and the PAC, and thanked Ms. Regina Davis for her hard work.

Commissioner Foriest Settles reported an outside contact from SFHDC. Ms. Foriest Settles expressed her concern about miscommunication between the PAC and developer, and understood that everyone had worked hard and the motivation was good, but echoed the same concerns from other Commissioners that the PAC must be consulted throughout the process. Ms. Foriest Settles stated that she would support the project with a "red flag" in mind and suggested that ample time be allowed to consult with the PAC on such an important project. Ms. Foriest Settles commented that people should not have felt left out of the process and hoped that such miscommunication did not happen again.

President Yee expressed his support for a wonderful project and commended Ms. Regina Davis for doing a good job.

ADOPTION: IT WAS MOVED BY MR. ROMERO, SECONDED BY MR. DUNLOP, AND UNANIMOUSLY CARRIED THAT ITEM 4 (g) RESOLUTION NO. 207, 2001, AUTHORIZING AN ASSIGNMENT AND ASSUMPTION AGREEMENT WITH SAN FRANCISCO HOUSING DEVELOPMENT CORPORATION, A CALIFORNIA NONPROFIT PUBLIC BENEFIT CORPORATION, FOR THE PURCHASE OF REAL PROPERTY LOCATED AT 4800 THIRD STREET IN THE AMOUNT OF \$625,000 AND RELATED COSTS INCLUDING A \$100,000 LEASE TERMINATION PAYMENT, \$10,000 IN CLOSING COSTS AND \$50,000 IN OTHER RELATED COSTS FOR A TOTAL AMOUNT NOT TO EXCEED \$800,000, IN CONJUNCTION WITH THE DEVELOPMENT OF VERY LOW AND LOW INCOME RENTAL HOUSING AND GROUND FLOOR COMMERCIAL SPACE WITHIN THE BAYVIEW HUNTERS POINT REDEVELOPMENT SURVEY AREA; CITYWIDE TAX INCREMENT HOUSING PROGRAM, BE ADOPTED.

ADOPTION: IT WAS MOVED BY MR. KING, SECONDED BY MR. ROMERO, AND UNANIMOUSLY CARRIED THAT ITEM 4 (h) RESOLUTION NO. 208-2001, AUTHORIZING AN EXCLUSIVE NEGOTIATIONS AGREEMENT WITH SAN FRANCISCO HOUSING DEVELOPMENT CORPORATION, A CALIFORNIA NONPROFIT PUBLIC BENEFIT CORPORATION, LEADING TO THE LONG TERM GROUND LEASE OF 4800 THIRD STREET, WITHIN THE BAYVIEW HUNTERS POINT REDEVELOPMENT SURVEY AREA, IN CONJUNCTION WITH THE DEVELOPMENT OF VERY LOW AND LOW INCOME RENTAL HOUSING AND GROUND FLOOR COMMERCIAL SPACE; CITYWIDE TAX INCREMENT HOUSING PROGRAM, BE ADOPTED.

ADOPTION: IT WAS MOVED BY MS. PALAMOUNTAIN, SECONDED BY MR. SINGH, AND UNANIMOUSLY CARRIED THAT ITEM 4 (i) RESOLUTION NO. 209-2001, AUTHORIZING A TAX INCREMENT PREDEVELOPMENT LOAN AGREEMENT IN AN AMOUNT NOT TO EXCEED \$400,000 TO SAN FRANCISCO HOUSING DEVELOPMENT CORPORATION, A CALIFORNIA NONPROFIT PUBLIC BENEFIT CORPORATION, IN CONJUNCTION WITH THE DEVELOPMENT OF VERY LOW AND LOW INCOME RENTAL HOUSING AND GROUND FLOOR COMMERCIAL SPACE AT 4800 THIRD STREET, WITHIN THE BAYVIEW HUNTERS POINT REDEVELOPMENT SURVEY AREA; CITYWIDE TAX INCREMENT HOUSING PROGRAM, BE ADOPTED.

- 4 (j) Resolution No. 210-2001, Directing the Executive Director to Propose an Internal Mechanism and Process for the Development of the Plaza Hotel and Future Affordable Housing Developments

Presenters: Marcia Rosen (Agency staff)

Speakers: Michell Arellano, Laarni San Juan, Chrystene Ells, Daniel Weil, Mary Hidzick, Tracy Aubuchon, Professor Dan Begonia (statement read by Mark Marking), Malou Babilonia, Dr. Joaquin Gonzalez, Richard Marquez

President Yee recalled that when he took the oath of office as an Agency Commissioner, he knew that there would be criticisms whether he was right or wrong. Mr. Yee stated that as a member of the Redevelopment Agency Commission, each Commissioner had the obligation not only to one group but also to the whole City and County of San Francisco. Mr. Yee stated that whatever policy the Commission adopted, it would affect not only South of Market, but the entire City. Mr. Yee advised that one should look at the big picture and that none of the Commissioners were anti-housing. Mr. Yee expressed his support for the proposal to have an internal mechanism and

process for the development of the Plaza Hotel and future affordable housing. Mr. Yee reminded the Agency Secretary to keep a 10-minute time limit for Commissioners' statements.

Commissioner Foriest Settles informed the Commission and the public that two Commissioners were not present at the previous Commission meeting when she asked that the matter be placed on the November 27th Agenda, and stated that Commissioners and members of the public that were present understood why the matter was on the Agenda. Ms. Foriest Settles shared an earlier discussion with Commissioner Dunlop about the matter. Ms. Foriest Settles recalled the Executive Director's statements that staff was not quite ready to present to the Commission the work that staff had been diligently working on her proposal. Ms. Foriest Settles shared her concern that a request or proposal from one Commissioner should not consume staff's time without a full vote of the whole Commission and pointed out that that was the reason why she asked that the matter be placed on the Agenda. Ms. Foriest Settles explained that staff had been working very hard on her proposal, but that there was no formal support for going forward with her request and her intention was to have the matter on the Agenda and have the Commission either vote it up or down, and if the proposal was voted down, staff would suspend working on the matter. Ms. Foriest Settles suggested that in the future, requests from Commissioners that would take a lot of staff's time, would not go forward without the support of the whole Commission being on record. Ms. Foriest Settles recalled that when she made her proposal on October 30th, staff began working diligently on her request, but the Commission had not gone on record supporting the proposal.

Executive Director Rosen stated that in her presentation, she made the distinction that staff was working on a policy for future affordable housing developments as opposed to the Plaza Hotel specifically. Ms. Rosen recalled her previous reports to the Commission regarding her discussion with the Mayor about his State of the City Address. The Mayor had clarified that he wanted the Agency to thoughtfully proceed to consider how direct development by the Agency could be done to augment development capacity so that more affordable housing could be built and could be used in circumstances where there was not a qualified developer ready to proceed. Ms. Rosen stated that staff's work on the mechanism could be applied to the larger issue of some Agency role to augment development capacity in the future. Ms. Rosen commented that it was up to the Commission if that would apply to the Plaza Hotel, and pointed out that a RFP was issued and staff deemed the respondent developer to be qualified. Ms. Rosen stated that the Mayor had directed staff to look at the idea and staff would bring the analysis to the Mayor and the Commission regardless of the Commission's action on the matter before them, which is more directed to the Plaza Hotel.

Commissioner King stated that there was no question that the Commission voted the Plaza Hotel project down. Mr. King recalled that the Agency had done its own development before, in Yerba Buena Center, the Embarcadero Center, Western Addition, Japantown, and remembered that the Agency had to develop the Yerba Buena Gardens after Olympia and York could not develop it. Mr. King remarked that the Agency should start doing its own development and the Commission's direction to staff was to start with the Plaza Hotel.

Commissioner Romero thanked members of the public who testified and stated that their eloquent statements made him proud. Mr. Romero stated that he had not changed his mind about the Plaza Hotel, and that the community was being made a guinea pig that the I Hotel was the perfect analogy to the Plaza Hotel. Mr. Romero remarked that the public had the right to be angry and bitter because the Commissioners who voted against TODCO were saying no to the community and that they did not care about their community and the matter before the Commission was simple bureaucracy. Mr. Romero opined that the Plaza Hotel was a very important matter because it affected a community that had been traditionally under-represented and recalled that 30 years ago, the I Hotel was at issue and that the same thing was going to happen with the Plaza Hotel. Mr. Romero advised the Filipino-American community to stay well organized and vigilant. Mr. Romero stated that he would vote against the resolution before the Commission. Mr. Romero commented that elected officials such as the Mayor and the Board of Supervisors had to go out and campaign to be responsible in passing laws that benefit the public and to do what the citizens want them to do. Mr. Romero stated that the Board of Supervisors was fully justified in adopting a Resolution stating its support for the Plaza Hotel and urged the Commission's reconsideration of the Plaza Hotel vote, because the Agency Commission did not do what was right, and that the Commission decided to change policy in the middle of a very important decision. Mr. Romero opined that it was very irresponsible for the Commission to have voted down the Plaza Hotel project and that it was the wrong thing to do and was very misguided. Mr. Romero pointed out that the Board of Supervisors had authority over some of the Agency's activities like the Agency's budget, and stated that the Plaza Hotel was consistent with existing Agency and City policies. Mr. Romero stated that if the Commission wanted to change policies and the Mayor wants the Agency to undertake development, he had no problem with that, but that should not be done at the cost of losing the Plaza Hotel project. Mr. Romero informed the public and the Commission that he would vote against the resolution before the Commission and hoped that other Commissioners listen to the public and hear their concerns.

President Yee reminded his fellow Commissioners that it was improper to criticize other Commissioners and that it was not permitted and the Chair would rule them out of order.

Commissioner Dunlop remarked that he could not add too much more to Commissioner Romero's statements. Mr. Dunlop thanked everyone for coming to the meeting and advised them to continue coming and acknowledged that it was hard to keep coming week after week and hearing the same vote every time. Mr. Dunlop informed the public that they were being heard in spite of the Commission's actions, and pointed out that the 10 to 1 vote by the Board of Supervisors was a clear indication that the Board of Supervisors heard the public's concerns and commented that sometimes democracy takes a lot of work, pain and abuse, but that in the long run it was worth it. Mr. Dunlop stated that it was difficult for him to explain the Plaza Hotel issue and make sense of it because the Agency historically had not denied projects from qualified developers with excellent track records and overwhelming support from the community. Mr. Dunlop stated that the resolution before the Commission was not really about the Plaza Hotel because according to Commissioner Settles, her intention was to have a discussion about the full Commission going on record as supporting one Commissioner's direction or proposal for staff to do work based upon one Commissioner's request. Mr. Dunlop recalled testimony that it would take a lengthy time to establish the internal mechanism and requested the Chair if he could asked staff how much time would be needed for the internal mechanism.

President Yee advised that Commissioner Dunlop should first finish with his remarks and then staff may answer his questions.

Mr. Dunlop stated that the Commission had heard from the Mayor that he did not want the Agency to add time to developments for the internal mechanism to be set up, and that the Mayor did not want a delay of projects already in progress, and opined that the Commission, by starting a whole new process of setting up the internal mechanism, would be delaying other important projects. Mr. Dunlop suggested an amendment to the resolution by deleting the words "development of the Plaza Hotel."

President Yee stated that Commissioner Dunlop's amendment was out of order because there was no notification to the public.

Mr. Dunlop responded that he had the right to make any amendment to any resolution before the Commission.

President Yee stated that Commissioner Dunlop could not make his amendment at that time.

Mr. Dunlop recalled that there was not a motion and a second to adopt the resolution, so he withdrew his amendment but reserved the right to make an amendment when a motion and a second was heard. Mr. Dunlop remarked

that the resolution should just die because he felt that the internal mechanism was not the appropriate process for the Plaza Hotel and that the City leaders and public did not believe that and the Commission should listen to the Board of Supervisors and the public.

Commissioner Palamountain recalled that when the Plaza Hotel project was voted down several weeks ago, Commissioners who voted in favor were admonished to think outside the box and stated that she agreed that Commissioners were obligated to think outside the box, but that it was also the duty of Commissioners to think within the bounds of reason. Ms. Palamountain stated that she had thought long and hard about under what circumstance she would support the notion of the Agency doing direct development for certain parcels and presented the following criteria: (1) could the Agency build better quality housing than any private developer, for profit or non-profit; (2) could the Agency build more affordable housing than any private developer; (3) could the Agency build housing at a cheaper cost than any other private developer; (4) could the Agency build the housing faster than any private developer; (5) was there a lack of capacity, or a market failure in the housing development community because no one else could develop a particular parcel whether for profit or non-profit; and (6) were there other public benefit rationales for example, the government had been involved in the public contracting arena of making sure that there was equity in regards to race or gender and the government had been flexible in providing other criteria to make sure that past wrongs and discriminations and injustices were addressed under the current public criteria. Ms. Palamountain stated that while future housing projects did not have to meet all six of the criteria for her to support Agency development of affordable housing, they would need to meet at least some. In her view, there should be compelling reason for the Agency Commission to change its policies in the way the Agency had done business, which was to leverage public staff to help private for profit and non-profit developers to create as much affordable housing within the budget as possible and done with good quality. Ms. Palamountain opined that this project (Plaza Hotel) did not standup to scrutiny under any of the criteria she presented. Ms. Palamountain stated that the Agency could not do it faster, cheaper, could not build more of it, was not facing a capacity problem, and no one has articulated another public benefit rationale for going forward with direct development. Ms. Palamountain stated that she was going to ask the Executive Director if in light of those criteria she would change her recommendations on the Plaza Hotel parcel specifically, but remarked that she did not need to ask because it was crystal clear. Ms. Palamountain expressed her opposition to the resolution before the Commission. Ms. Palamountain raised with the Commission the issue of managing direct development by the Commission when the Commission could not agree on a time when Commissioners could go to the bathroom, could not agree on Robert's Rules of Order, could not agree on the 62 names for the Fillmore Street Plaza, and what made the Commission think that it could compete in terms of time and

cost effectiveness with private developers who can make decisions faster and more efficiently and with less human cost. Mr. Palamountain thought that the Commission was dysfunctional and that it was not serving the public and not listening to the public. Ms. Palamountain stated that she would not support any proposal that gives the Commission more power to oversee back-room deals absent standards by which the Commission would exercise that decision. Ms. Palamountain expressed the irony of Commissioner Settles statements that the reason for putting the matter on the Agenda was to avoid staff from spending a lot of unnecessary time and effort, and pointed out that that was exactly the case with the Plaza Hotel with two RFPs being issued, where staff reported continuously to the Commission that there was only one respondent to the second RFP and no concerns were raised by any Commissioner, instead waiting until the exclusive negotiations were before the Commission, waited until over a hundred people showed up to support the project, people who took time off from work, took time to find child care, and only at that time did the Commission vote the project down. Ms. Palamountain expressed her anger at the situation and felt that the Commission was an appalling mess of bureaucracy, and stated her opposition to the resolution.

Commissioner Singh remarked that he heard a lot of good speakers, good attorneys and that he was not a very good speaker. Mr. Singh recalled that the Commission earlier in the meeting approved two projects for TODCO for 155 units, plus the Filipino-American community center and was concerned with the public's testimony that the Commission was against the Filipinos. Mr. Singh commented that the Agency would be giving a lot more business to TODCO and that the theater would always be part of the Plaza Hotel. Mr. Singh stated that the matter before the Commission was about the internal mechanism and not about the Filipinos. Mr. Singh believed that the Agency could do the development for a lot less and that the speakers who said that the Agency could not to direct development were not correct, that the Agency had done projects like Yerba Buena Gardens and Japantown. Mr. Singh pointed out that the matter before the Commission was about the internal mechanism.

President Yee recalled that one of the Commissioners accused other Commissioners of making back-room deals and hoped that it was a misstatement because that was a heavy accusation and coming from one of the members of the Commission was very unfortunate. Mr. Yee stated that under a democratic process, anyone could say whatever they wanted to say, but cautioned his fellow Commissioners to not say hurtful things about other Commissioners. Mr. Yee reiterated the resolution before the Commission and advised the Commission to stay within the subject matter.

Commissioner Romero stated his endorsement for the statement using the term "back-room" deals and that he agreed with the statements.

President Yee stated that he had not heard a motion and entertained a motion from the Commissioners.

Commissioner King put forth a motion to adopt item 4 (j) and Commissioner Foriest Settles seconded the motion.

Commissioner Dunlop made a motion to amend the resolution to delete the words "development of the Plaza Hotel." Commissioner Romero seconded the motion.

President Yee asked the Agency Secretary to call the roll.

Commissioner Romero requested to be recognized to speak on the amendment.

President Yee stated the amendment seemed clear and asked the General Counsel for a ruling on discussion on an amendment to a main motion.

General Counsel Bertha A. Ontiveros stated that under Robert's Rules, there could be discussion on the main motion and the amendment independently.

Commissioner Romero asked for clarification on the amendment, that the resolution would be amended to reflect only future affordable housing developments and not specifically the Plaza Hotel.

Commissioner Dunlop stated that he made the motion based upon Commissioner Settles' statements and to follow the Mayor's directions to not delay developments while the Agency continued the internal discussion and remarked that the process could take a long time. Mr. Dunlop stated that the Commission was not talking about purchasing a piece of property but to look into essentially a new development entity of the Agency to do direct development of affordable housing and that could take a lot of time to evaluate and to set up the internal mechanism. Mr. Dunlop asked the Executive Director to provide a response.

Executive Director Rosen repeated Mr. Dunlop's question of how much time it would take for the Agency versus entering into exclusive negotiations with TODCO to develop the Plaza Hotel. Ms. Rosen stated that staff had done just a preliminary analysis and that there would likely be a significant delay. Ms. Rosen stated that TODCO in order to respond to the RFP, retained an architect to do an architectural study of the site in order to come forward with their proposal, and also did some initial cost analysis. Ms. Rosen explained that with all of the work that had been done, staff could not catch up with the work that had been accomplished and since TODCO had to respond to two RFPs, they had the opportunity to refine their proposal. In addition, TODCO had discussions with Bindlestiff Studio and the convenience market on the ground

floor, so TODCO had taken some steps that staff would have to duplicate. Ms. Rosen stated that while the Agency had a record of doing public development such as the Yerba Buena Center, the development of affordable housing was a very complex undertaking subject to many restrictions for the financing available, and in order to compete for that financing, the Agency would have to establish a non-profit development corporation that would be an alter-ego of the Agency. Ms. Rosen pointed out that under State law, such organizations that are operating as a public purpose similar to the Agency would have to comply with the Brown Act and would have to fulfill all public contracting laws, and that the decision making process for the non-profit organization would have to be transparent and that would necessarily take more time than a private entity doing the same thing with a Board of Directors. Ms. Rosen stated that with the preliminary analysis that staff had done and the fact that TODCO had already completed several steps, it would take between six months to a year longer to complete the process compared to entering into exclusive negotiations with TODCO. Ms. Rosen explained that this time frame was very preliminary since staff had not completed its review and due diligence.

Mr. Dunlop asked if the time frame of six months to a year included the application for tax credit financing.

Ms. Rosen responded that the time frame did not include the development schedule, and explained that the tax credit application process involved deadlines for generally two rounds of applications in a year and to be competitive one has to meet certain readiness standards.

Mr. Dunlop urged his fellow Commissioners to support his amendment to delete references to the Plaza Hotel so there would not be a delay of providing extremely needed affordable housing. Mr. Dunlop stated that he did not want to be responsible for delaying the 115 units at the Plaza Hotel and did not want to be a part of a Commission that would do that.

Commissioner King commented that he had seen a lot of cry-babies in the Commission and recalled that the Agency had done a lot of affordable housing in Western Addition, including Martin Luther King, Marcus Garvey, Freedom West, Friendship Village, all of those public housing developments, and did not know where the Executive Director got her information, but the Agency did all of those developments. Mr. King stated that the Agency can do direct development, that there was precedent for doing direct development and the Agency had done affordable housing development in Hunters Point. Mr. King stated that the Agency did not have to start over and that the Agency did all of the housing up on the hill at Hunters Point. Mr. King recalled that the Agency had churches sponsor the developments and the Agency built them and had the staff that did the development. Mr. King stated that the idea of direct development was nothing new to the Agency because it had staff that was

capable and in fact did the development with sponsors. Mr. King recalled that the Agency did development at Chinatown, Hunters Point, Western Addition, Diamond Heights and all over the City. Mr. King stated that the Agency had records of the development it did and that the idea of direct development was nothing new because the Agency had done it for over 30 years. Mr. King recalled picketing at the I Hotel and that was injustice not just against the Filipinos but against humanity. Mr. King remarked that the issue was for the Agency to do what it had been doing for a long time, and did it better than anyone else. Mr. King expressed his support for Commissioner Settles' motion and his opposition to the amendment.

Commissioner Foriest Settles asked the Executive Director when she anticipated having the staff's work before the Commission.

Executive Director Rosen stated that staff could have something before the end of the year that the Commission's last meeting of the year was December 18th.

President Yee verified Ms. Rosen's statement of December 18th and asked if would take that long to have it before the Commission.

Ms. Rosen explained that there was very substantial administrative, financial, risk analysis, and legal issues to be resolved and that she had identified the issues, but had not yet come to a conclusion as to the best way to resolve them and that she wanted to put the best proposal before the Commission. Ms. Rosen stated that she was compelled to respond to statements about the Agency's history, that the financing of affordable housing was entirely different today than it was in the 1960's and 1970's when it was entirely financed by HUD, and the Agency's role was not developer of housing, but as an Agency which cleared the sites and made the parcels available and developed the infrastructure. Ms. Rosen stated that the Agency did do some direct development of housing, primarily of rehabilitation of some of the remaining Victorians in Western Addition, but the financing sources ...(at this point the Chair interjected).

Commissioner Romero raised a point of order that the Executive Director be allowed to finish her response.

Commissioner Dunlop stated that the Executive Director was providing a full response and should be allowed to finish.

Commissioner King stated that the Executive Director was asked one question and was providing a different response.

President Yee agreed and repeated the Executive Director's response that she would bring the matter before the Commission on December 18th.

Executive Director Rosen clarified that she would try her very best to have the matter before the Commission on December 18th, but that she would like the opportunity to do a thoughtful and full analysis of the complex issues before the Commission and that it may not be possible to have the analysis completed by December 18th. Ms. Rosen reiterated that she would do her best to have the matter by December 18th and asked that the minutes reflect that she would make good faith efforts to accomplish that, taking into account the complexity of the issues before the Agency, which include the difference between the financing available for affordable housing and the need to set up a structure which can qualify for the maximum non-City and non-Agency funds in order to maximize the affordable housing development, which was the desire of the Agency Commission as well as the Mayor's directions.

Ms. Foriest Settles thanked Ms. Rosen for her response and stated that she would like the benefit of having staff's analysis before she would support the amendment to the main motion.

MOTION: IT WAS MOVED BY MR. DUNLOP, SECONDED BY MR. ROMERO, TO AMEND THE MAIN MOTION TO ADOPT ITEM 4 (j) TO DELETE THE WORDS "DEVELOPMENT OF THE PLAZA HOTEL," AND ON ROLL CALL THE FOLLOWING VOTED "AYE":

Mr. Dunlop
Ms. Palamountain
Mr. Romero

AND THE FOLLOWING VOTED "NAY":

Mr. King
Ms. Foriest Settles
Mr. Singh
Mr. Yee

AND THE FOLLOWING WERE ABSENT.

THE SECRETARY DECLARED THE RESULTS OF THE ROLL CALL VOTE, FOUR (4) NOES, AND THREE (3) AYES.

THE PRESIDENT THEREUPON DECLARED THAT THE MOTION TO AMEND FAILED.

ADOPTION: IT WAS MOVED BY MR. KING, SECONDED BY MS. FORIEST SETTLES TO ADOPT ITEM 4 (j) RESOLUTION NO. 210-2001, DIRECTING THE EXECUTIVE DIRECTOR TO PROPOSE AN INTERNAL MECHANISM AND PROCESS FOR THE DEVELOPMENT OF THE PLAZA HOTEL AND FUTURE AFFORDABLE HOUSING DEVELOPMENTS, AND ON ROLL CALL THE FOLLOWING VOTED “AYE”:

Mr. King
Ms. Foriest Settles
Mr. Singh
Mr. Yee

AND THE FOLLOWING VOTED “NAY”:

Mr. Dunlop
Ms. Palamountain
Mr. Romero

AND THE FOLLOWING WERE ABSENT.

THE SECRETARY DECLARED THE RESULTS OF THE ROLL CALL VOTE, FOUR (4) AYES, AND THREE (3) NOES.

THE PRESIDENT THEREUPON DECLARED THAT THE MOTION CARRIED.

REPORT OF THE PRESIDENT

- Reported that he met with the Mayor and discussed Robert’s Rules of Order pertaining to time limit for Commissioners’ statements either in open session or closed session, and that both the Mayor and Parliamentarian Peter Keane agreed with the Chair’s ruling and application of the 10-minute time limit in both open and closed session.

Commissioner Romero raised a point of order that the Chair was disclosing matters discussed in Closed Session and that was unlawful.

President Yee ruled Mr. Romero was out of order and that he was not disclosing any closed session matters.

- Inquired about his request to the Agency Secretary to obtain a copy of the videotape of the November 8th Board of Supervisors Housing, Transportation and Land Use Committee meeting.

Agency Secretary Erwin R. Tanjuaquio responded that he did place the order for a duplicate video tape and have not heard back, but would follow-up as soon as possible.

- Stated that the public misunderstood his statements about the Plaza Hotel and pointed out that none of the Commissioners were against affordable housing development. The newspaper article misquoted his statements about the Plaza Hotel and misguided the Board of Supervisors in believing that the Chair was only for for-profit contractors, and that was not true and that the Chair never made such statements.
- Advised his fellow Commissioners to be courteous with each other and that fighting among the Commission was not a healthy environment, that when the Chair stops Commissioners or staff from making incorrect statements, he was doing his duty and that he was not a dictator.

REPORT OF THE EXECUTIVE DIRECTOR

- Reported that the following matters:
 - RFP for Sidewalk Cleaning Services for Sixth Street will be issued on November 28th
 - Technical Assistance RFQ deadline on December 14th - Hunters Point Shipyard CAC meeting on November 30th at 9:30 a.m. at Dego Mary's
 - Award for Children's mural program through the Bayview Opera House – Program created by Bayview Artist Heidi Harden who was nominated to receive the EPA Achievement Award for her work with the Bayview Hunters Point children – Award ceremony on November 28th.
 - San Francisco Ballet Association meeting on November 29th at 7:00 p.m. at 455 Franklin Street, 1st floor conference room regarding addition to Ballet building.
 - December 1st events:
 - Fillmore Street Lighting ceremony at 5:00 p.m. – Mayor scheduled to attend
 - South of Market Filipino Youth Summit at the W Hotel from 9:00 a.m. to 2:00 p.m. – Olson Lee to represent the Agency
 - Delta Hotel groundbreaking ceremony at 1:00 to 3:00 p.m. at the Central Parking Lot on Mission Street between 6th and 7th Streets
 - Habitat for Humanity homes in the Bayview, dedication ceremony at 11:00 a.m.

COMMISSIONERS QUESTIONS AND MATTERS

- President Yee requested a copy of the names of developers in the South of Market and Yerba Buena Center project areas

Executive Director Rosen recalled that an informational memorandum with maps and list (dated October 6th) was provided to the Commission and asked if the President wanted another copy. President Yee affirmed.

Agency Secretary Tanjuaquio asked President Yee if Commissioners' statements should be timed. President Yee affirmed.

- Commissioner Romero stated that he was clear about the 10-minute time limit and only two opportunities to speak for each Commissioner. Mr. Romero requested General Counsel to prepare a memorandum describing Commissioners' duties or obligations with respect to closed session discussions. Mr. Romero stated that when the Commission had closed session items and it took action(s), the action taken would be reported at the next meeting. Mr. Romero stated that Commissioners had the obligation to not disclose matters that were discussed in closed session. Mr. Romero stated that he had been following the rule of not talking about matters discussed in closed session, and that he wanted to know what the rule was pertaining to disclosure by Commissioners.
- Commissioner Dunlop agreed with the Chair's statements about following Robert's Rules of Order and requested information from the General Counsel about the Chair's role in debate and the Chair's neutrality in debate. Mr. Dunlop recalled President Yee's request of the November 8th Board of Supervisors meeting videotape and stated that there would probably be a cost associated with procuring the videotape, and that if there was a cost to the Agency, there should be justification for incurring the cost. Mr. Dunlop stated that he was not aware of why the videotape was being requested and did not recall any particular reason for making the request. Mr. Dunlop agreed with the Chair's statements about Commissioners being courteous with each other and suggested that the courtesy should extend to staff, in particular the Executive Director when she was cut-off while making her statement and that was improper and rude. Mr. Dunlop commented that all people should have the opportunity to finish what they were saying without being cut-off.
- Commissioner Foriest Settles thanked the Executive Director for providing staff's travel reports. Ms. Foriest Settles recalled Mr. Dunlop's earlier statements about the Fillmore Street Holiday Celebration matter, that items like that should come to the Commission ahead of time, and recalled an item for South of Market (a few months ago) where the Commission was requested to reimburse monies that have been spent.

Ms. Foriest Settles stated that the Agency should not have situations where groups were spending money before the Commission's approval. Ms. Foriest Settles recalled the earlier 474 Natoma project where samples of the building materials were shown to the Commission, and requested that similar building materials samples be provided for future projects. Ms. Foriest Settles requested copies of Board of Supervisors' official resolutions be provided to the Commission in order to avoid confusion as to the Board's intent or direction to the Agency.

Executive Director Rosen stated that draft copies of proposed Board of Supervisors resolutions or ordinances affecting the Agency's business would be provided to the Commission and when they get adopted, copies would be provided to the Commission. Ms. Rosen added that staff monitors Board hearings and meetings on matters affecting Agency business and would always inform the Commission.

- Ms. Foriest Settles expressed her shock, upset and disappointment about the maltreatment among the Commissioners, and that the Commission was dysfunctional, that the Commission was doing a disservice to each other and a disservice to the public. Ms. Foriest Settles commented that there was zero tolerance among Commissioners for other points of view and opinion, and that she was saddened with the situation. Ms. Foriest Settles recalled Mr. Romero's earlier suggestion for a Commission retreat and suggested that the Commission have a discussion to talk about how the Commissioners would go forward because the current situation was very serious due to the personal attacks that ensue while discussing Agency business. Ms. Foriest Settles expressed that the dialogue between Commissioners becomes dysfunctional and the substance of the matter before the Commission gets lost. Ms. Foriest Settles stated that she was also a part of the dysfunction because she was one of the Commissioners that sit on the Commission, and that she did not want to be a part of something that was dysfunctional. Ms. Foriest Settles recommended that the Commission, either at the end of December or the beginning of January, to sit down and decide how the Commission would move forward in conducting the Agency's business. Ms. Foriest Settles stated the current situation was very sad and that the Commission was not moving in the right direction, and expressed her concern that the Commission meetings were looked upon by the public as a comedy hour on radio.
- Commissioner Singh agreed with Ms. Foriest Settles' recommendation and requested a copy of the Board of Supervisors videotape and transcript of the November 8th meeting (regarding the Plaza Hotel).

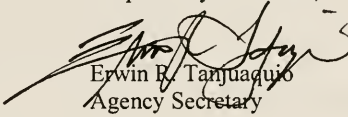
Agency Secretary Tanjuaquio stated that duplicates of the videotape as well as any available transcripts would be ordered for each of the Commissioners.

- Commissioner Romero recalled that the Commission had always been dysfunctional during the last four years he had been on the Commission, and that he believed that unfortunately, that was the way the Commission would always be, and that a retreat would not help because when retreats were suggested in the past, they were not received well by Commissioners. Mr. Romero stated that Commissioners were different people with different points of view, and that he did not take anything that was said about him or his statements personally. Mr. Romero shared that Commissioners often attended receptions and other functions together and relationships were always cordial. Mr. Romero explained that when he showed emotion about the matter being discussed by the Commission, it was because he strongly disagreed with other Commissioners' point of view and statements made were not meant to be personal. Mr. Romero pointed out that did not mean that he did not like the person, but that he thought the person's point of view or position was totally wrong on the subject matter. Mr. Romero believed that he was not a crybaby and advised that emotional and strong statements should not be taken personally because they were not meant to be personal. Mr. Romero stated that he did not take other Commissioners' comments personally, and that Commissioners do not think alike, and Commissioners would disagree on many subjects. Mr. Romero stated that he had to live with the way he voted on matters and that he did not regret any of the votes he cast. Mr. Romero advised that other Commissioners had to live with their votes and if they felt that their votes were wrong, they should change their votes. Mr. Romero stated that the four Commissioners who voted against the Plaza Hotel were dead wrong.
- Commissioner Dunlop agreed with Ms. Foriest Settles' suggestion of a retreat and recalled attending a retreat on his first year as a Commissioner and learned a lot about other Commissioners, the Agency's business and how things work or not work. Mr. Dunlop expressed that a retreat was a really good idea and supported it.
- President Yee thought that everybody agreed with Ms. Foriest Settles' statements, that the Commission had a lot of room for improvement, that minutes of previous meetings described how two Commissioners attacked Commissioner King, and that was unacceptable and improper. Mr. Yee stated his support for the Commission getting together but expressed doubt about improved relationships coming out of the retreat.

ADJOURNMENT

It was moved by Mr. Singh, seconded by Mr. Dunlop, and unanimously carried that the meeting be adjourned. The meeting adjourned at 8:38 p.m.

Respectfully submitted,



Erwin R. Tanjuaguis
Agency Secretary

APPROVED:

December 18, 2001

MINUTES OF A REGULAR MEETING OF THE
REDEVELOPMENT AGENCY OF THE CITY AND
COUNTY OF SAN FRANCISCO HELD ON THE
4TH DAY OF DECEMBER 2001

The Commissioners of the Redevelopment Agency of the City and County of San Francisco met in a regular meeting at City Hall, 1 Dr. Carlton B. Goodlett Place, Room 416, in the City of San Francisco, California, at 4:00p.m. on the 4th day of December 2001, at the place and date duly established for holding of such a meeting.

The President called the meeting to order and on roll call the following answered present:

Benny Y. Yee, President
Leroy King, Vice President
Mark Dunlop
Kathryn C. Palamountain
Ramon E. Romero
Darshan Singh

and the following were absent:

Michal Foriest Settles

DOCUMENTS DEPT.

The President declared that a quorum was present.

SEP 13 2007

Helen Sause, Acting Executive Director, and staff members were also present.

SAN FRANCISCO
PUBLIC LIBRARY

President Yee reminded the public of the Commission meeting rules and asked that cell phones and pagers be turned off.

MATTERS OF UNFINISHED BUSINESS

**Unfinished Business Item 3 (a) was continued from the
November 20, 2001 Commission Meeting**

- 3 (a)** Resolution No. 200-2001, Approving the Selection of 62 Names of Pioneers and Heroes representing the Western Addition Area for Inclusion in the O'Farrell Street Plaza as part of the Fillmore Street Urban Design Streetscape Project; Western Addition Redevelopment Project Area A-2

Presenters: Shirley Wysinger (Agency staff), Rod Henmi (Architect), Mildred Howard (Artist), Sandi Mori, Benny Stewart

Speakers: Judi Nihei, Mary Helen Rogers

President Yee thanked the Committee for its hard work and expressed his delight about Commissioner King and Helen Rogers' names staying on the list.

Commissioner Dunlop put forth a motion to adopt item 3 (a). Mr. Dunlop pointed out that the naming of the plaza after Gene Suttle would be considered in the near future and was delighted with the list of names. Mr. Dunlop expressed that he could not imagine anyone going to the Plaza and not experience the history and diversity of the neighborhood with the names of people like Mary Ellen Pleasant who assisted in the underground railroad, names like Mel Blanc whose father in 1904 had an apparel shop on Fillmore Street, names that everyone knew like Terrence Francois, Carlton Goodlett, all of which were being woven into a wonderful tapestry depicting the community's rich and diverse history. Mr. Dunlop hoped that the project moves forward and recalled testimony that the names project would memorialize people's contributions, and remarked that the project should celebrate both the people that were living and those that have passed. Mr. Dunlop stated his support for the project and urged the Commission to move the project forward.

Commissioner Palamountain stated that her enthusiasm for the project had not diminished since the meeting of November 20th and enthusiastically seconded the motion to adopt item 3 (a), and rested her comments on what was documented on the November 20th meeting minutes.

Commissioner King stated that he would not speak against the project, but agreed with Mary Rogers' comments about people who struggled in the neighborhood when WACO and WAPAC were formed. Mr. King stated that he would not criticize the list and that the project should move forward and agreed with Mr. Dunlop's statement that the Commission would have the opportunity to discuss naming the Plaza after Gene Suttle at a future meeting.

Ms. Wysinger distributed copies of a letter supporting the names project from the National Japanese American Historical Society.

ADOPTION: IT WAS MOVED BY MR. DUNLOP, SECONDED BY MS. PALAMOUNTAIN, AND UNANIMOUSLY CARRIED (MS. FORIEST SETTLES ABSENT) THAT ITEM 3 (a) RESOLUTION NO. 200-2001, APPROVING THE SELECTION OF 62 NAMES OF PIONEERS AND HEROES REPRESENTING THE WESTERN ADDITION AREA FOR INCLUSION IN THE O'FARRELL STREET PLAZA AS PART OF THE FILLMORE STREET URBAN DESIGN STREETScape PROJECT; WESTERN ADDITION REDEVELOPMENT PROJECT AREA A-2, BE ADOPTED.

MATTERS OF NEW BUSINESS

CONSENT AGENDA

4 (a) Approval of Minutes: Meeting of November 20, 2001

President Yee asked that Item 4 (b) be removed from the Consent Agenda

- 4 (b) Resolution No. 211-2001, Authorizing a First Amendment to the Tax Increment Loan Agreement with Tenderloin Neighborhood Development Corporation, a California nonprofit public benefit corporation, to Extend the loan repayment date from December 18, 2001 to the closing of permanent financing, in conjunction with the Acquisition and Rehabilitation of 179 units of very low income rental housing at the Alexander Residence, 230 Eddy Street; Affordable Housing Preservation and Citywide Tax Increment Housing Programs**

ADOPTION: IT WAS MOVED BY MR. DUNLOP, SECONDED BY MR. SINGH, AND UNANIMOUSLY CARRIED (MS. FORIEST SETTLES ABSENT) THAT CONSENT AGENDA ITEM 4 (a) APPROVAL OF MINUTES: MEETING OF NOVEMBER 20, 2001, BE ADOPTED.

Following adoption of Consent Agenda Items 4 (a), the Commission considered Item 4 (b).

- 4 (b) Resolution No. 211-2001, Authorizing a First Amendment to the Tax Increment Loan Agreement with Tenderloin Neighborhood Development Corporation, a California nonprofit public benefit corporation, to Extend the loan repayment date from December 18, 2001 to the closing of permanent financing, in conjunction with the Acquisition and Rehabilitation of 179 units of very low income rental housing at the Alexander Residence, 230 Eddy Street; Affordable Housing Preservation and Citywide Tax Increment Housing Programs**

Presenters: Kate Hartley (Agency staff)

Speakers: Mary Helen Rogers

Commissioner Dunlop put forth a motion to adopt item 4 (b). Commissioner Singh seconded the motion.

President Yee inquired about the developer fee of \$800,153 for the project.

Ms. Kate Hartley stated that the Alexander Residence item was placed on the Consent Agenda because the development was progressing very well, and provided the Commission with the background of the project. Ms. Hartley

informed the Commission that the developer fee for tax credit projects such as the Alexander, comes from the tax credit regulations that provide for an allowable developer fee of \$1.2 million and \$300,000 of that amount was coming back to the project as developer equity, which leaves \$900,000 as the developer fee. Ms. Hartley explained that that arrangement translated into a \$300,000 administrative fee pursuant to the City's underwriting guidelines, an unrestricted developer fee of \$200,000 and a restricted developer fee of \$100,000 can only be used for certain affordable housing activities. Ms. Hartley stated that the developer fee structure was in full compliance with the City's underwriting guidelines.

President Yee asked if TNDC had received notification of award of the Affordable Housing Program funds (staff report indicated an anticipated award date of November 30th).

Ms. Hartley informed the Commission that the award of the Affordable Housing Program grants had not been made at that time.

President Yee stated that TNDC could not apply directly for AHP funds without a private lender who was a member of the Federal Home Loan Bank, and pointed out that the staff report did not explain that.

Ms. Hartley stated that there was a private lender, which was Citibank that applied on behalf of TNDC.

President Yee stated that the staff report did not mention Citibank and asked that such information be provided in the future. Ms. Hartley affirmed.

ADOPTION: IT WAS MOVED BY MR. DUNLOP, SECONDED BY MR. SINGH, AND UNANIMOUSLY CARRIED (MS. FORIEST SETTLES ABSENT) THAT CONSENT AGENDA ITEM 4 (b) RESOLUTION NO. 211-2001, AUTHORIZING A FIRST AMENDMENT TO THE TAX INCREMENT LOAN AGREEMENT WITH TENDERLOIN NEIGHBORHOOD DEVELOPMENT CORPORATION, A CALIFORNIA NONPROFIT PUBLIC BENEFIT CORPORATION, TO EXTEND THE LOAN REPAYMENT DATE FROM DECEMBER 18, 2001 TO THE CLOSING OF PERMANENT FINANCING, IN CONJUNCTION WITH THE ACQUISITION AND REHABILITATION OF 179 UNITS OF VERY LOW INCOME RENTAL HOUSING AT THE ALEXANDER RESIDENCE, 230 EDDY STREET; AFFORDABLE HOUSING PRESERVATION AND CITYWIDE TAX INCREMENT HOUSING PROGRAMS, BE ADOPTED.

REGULAR AGENDA

- 4 (c) Resolution No. 212-2001, Authorizing a Housing Opportunities for Persons With AIDS Capital Loan Agreement with Mercy Properties, Inc., a Colorado nonprofit public benefit corporation, in an amount not to exceed \$2,300,000 in conjunction with the Acquisition and Rehabilitation of 61 very low income rental units and approximately 6,400 square feet of ground floor commercial space at the Derek Silva Community Residence, 1594 Market Street

Presenters: Elizabeth Colomello (Agency staff)

Speakers: Anthony Alioto, Peter Mock, Brian Dold, Mary Helen Rogers, Carmen Johnson

Commissioner Singh put forth a motion to adopt item 4 (c). Mr. Singh asked the difference between low and very low income.

Ms. Colomello informed the Commission that the HUD low income standards were at 80% of Area Median Income, which for one person was \$47,600 a year and very low income was at 50% of Area Median Income, which was about \$28,000 a year for one person.

Commissioner Dunlop seconded the motion. Mr. Dunlop thanked members of the public who came to testify about the project and stated that the Derek Silva development was a very important development because it had supplied incredibly needed services to the City and to people living with AIDS for a number of years now. Mr. Dunlop articulated the importance of providing permanent housing for people with AIDS and cited the Derek Silva residence as a small step in achieving that goal. Mr. Dunlop stated that every effort to provide such permanent housing would help people with AIDS to live healthier lives and urged his fellow Commissioners to support the item.

ADOPTION: IT WAS MOVED BY MR. SINGH, SECONDED BY MR. DUNLOP, AND UNANIMOUSLY CARRIED (MS. FORIEST SETTLES ABSENT) THAT ITEM 4 (c) RESOLUTION NO. 212-2001, AUTHORIZING A HOUSING OPPORTUNITIES FOR PERSONS WITH AIDS CAPITAL LOAN AGREEMENT WITH MERCY PROPERTIES, INC., A COLORADO NONPROFIT PUBLIC BENEFIT CORPORATION, IN AN AMOUNT NOT TO EXCEED \$2,300,000 IN CONJUNCTION WITH THE ACQUISITION AND REHABILITATION OF 61 VERY LOW INCOME RENTAL UNITS AND APPROXIMATELY 6,400 SQUARE FEET OF GROUND FLOOR COMMERCIAL SPACE AT THE DEREK SILVA COMMUNITY RESIDENCE, 1594 MARKET STREET, BE ADOPTED.

Items 4 (d), (e) and (f) were presented together and acted upon separately

- 4 (d)** Resolution No. 213-2001, Authorizing a Second Amendment to the Tax Increment Loan Agreement with Mercy Properties California, a California non-profit public benefit corporation, pertaining to the Acquisition and Rehabilitation of 151 SRO units of very low income housing at the Marlton Manor, 240 Jones Street, that Rescinds the First Amendment to the Tax Increment Loan Agreement and Extends the repayment date for the previously approved Interim Loan of Three Million, Four Thousand, Three Hundred and Thirty Three Dollars (\$3,004,333) to the closing of permanent financing; the Agency's Housing Preservation Program and Citywide Tax Increment Housing Program
- 4 (e)** Resolution No. 214-2001, Authorizing a Revised Standby Payment Agreement with Mercy Properties California, a California non-profit public benefit corporation, and the Marlton Manor permanent lender in conjunction with the Acquisition and Rehabilitation of 151 SRO units of very low income housing at the Marlton Manor, 240 Jones Street, that Increases the Agency's contingent standby payment obligation from an amount no more than Three Million Dollars (\$3,000,000) to an amount no more than Four Million Five Hundred Thousand Dollars (\$4,500,000); the Agency's Housing Preservation Program and Citywide Tax Increment Housing Program
- 4 (f)** Resolution No. 215-2001, Authorizing a First Amendment to the Ground Lease with Mercy Properties California, a California non-profit public benefit corporation, to make the entire Annual Rent accruable for the Marlton Manor, 240 Jones Street; Housing Preservation and Citywide Tax Increment Housing Programs

Presenters: Kate Hartley (Agency staff)

Speakers: Carmen Johnson, Ramie Dare (Mercy Properties)

Commissioner Palamountain put forth a motion to adopt item 4 (d). Ms. Palamountain thanked Carmen Johnson for her comments and stated that the Marlton Manor project has the strongest proposal for supportive housing, in that Mercy Properties had proposed a very aggressive affordability level of 15% of the Area Median Income. Ms. Palamountain stated that the Commission did not often see such deep level of affordability and that as an individual Commissioner, she was very proud of supporting such as proposal for very badly needed supportive housing. Ms. Palamountain pointed out that the Marlton Manor project has one of the lowest per unit cost, which resulted in a greater return of the Agency's lease money and elimination of the permanent financing. Ms. Palamountain stated that the project was a very efficient and strong project and thanked Ms. Hartley for putting the project together and presenting it to the Commission. Ms. Palamountain also thanked

the development partnership of Agape, A.F. Evans, the tenants of Marlton Manor, and Mercy Properties for their participation in such a program.

Commissioner Romero expressed his support for the project and seconded the motion.

Commissioner Dunlop commented that it was rare to see a project presented to the Commission with improved development and financial terms when most projects usually ask for more money. Mr. Dunlop thanked staff, Mercy Properties and Agape for their hard work.

ADOPTION: IT WAS MOVED BY MS. PALAMOUNTAIN, SECONDED BY MR. ROMERO, AND UNANIMOUSLY CARRIED (MS. FOREST SETTLES ABSENT) THAT ITEM 4 (d) RESOLUTION NO. 213-2001, AUTHORIZING A SECOND AMENDMENT TO THE TAX INCREMENT LOAN AGREEMENT WITH MERCY PROPERTIES CALIFORNIA, A CALIFORNIA NON-PROFIT PUBLIC BENEFIT CORPORATION, PERTAINING TO THE ACQUISITION AND REHABILITATION OF 151 SRO UNITS OF VERY LOW INCOME HOUSING AT THE MARLTON MANOR, 240 JONES STREET, THAT RESCINDS THE FIRST AMENDMENT TO THE TAX INCREMENT LOAN AGREEMENT AND EXTENDS THE REPAYMENT DATE FOR THE PREVIOUSLY APPROVED INTERIM LOAN OF THREE MILLION, FOUR THOUSAND, THREE HUNDRED AND THIRTY THREE DOLLARS (\$3,004,333) TO THE CLOSING OF PERMANENT FINANCING; THE AGENCY'S HOUSING PRESERVATION PROGRAM AND CITYWIDE TAX INCREMENT HOUSING PROGRAM, BE ADOPTED.

ADOPTION: IT WAS MOVED BY MR. ROMERO, SECONDED BY MR. SINGH, AND UNANIMOUSLY CARRIED (MS. FOREST SETTLES ABSENT) THAT ITEM 4 (e) RESOLUTION NO. 214-2001, AUTHORIZING A REVISED STANDBY PAYMENT AGREEMENT WITH MERCY PROPERTIES CALIFORNIA, A CALIFORNIA NON-PROFIT PUBLIC BENEFIT CORPORATION, AND THE MARLTON MANOR PERMANENT LENDER IN CONJUNCTION WITH THE ACQUISITION AND REHABILITATION OF 151 SRO UNITS OF VERY LOW INCOME HOUSING AT THE MARLTON MANOR, 240 JONES STREET, THAT INCREASES THE AGENCY'S CONTINGENT STANDBY PAYMENT OBLIGATION FROM AN AMOUNT NO MORE THAN THREE MILLION DOLLARS (\$3,000,000) TO AN AMOUNT NO MORE THAN FOUR MILLION FIVE HUNDRED THOUSAND DOLLARS (\$4,500,000); THE AGENCY'S HOUSING PRESERVATION PROGRAM AND CITYWIDE TAX INCREMENT HOUSING PROGRAM, BE ADOPTED.

ADOPTION: IT WAS MOVED BY MR. DUNLOP, SECONDED BY MR. SINGH, AND UNANIMOUSLY CARRIED (MS. FORIEST SETTLES ABSENT) THAT ITEM 4 (f) RESOLUTION NO. 215-2001, AUTHORIZING A FIRST AMENDMENT TO THE GROUND LEASE WITH MERCY PROPERTIES CALIFORNIA, A CALIFORNIA NON-PROFIT PUBLIC BENEFIT CORPORATION, TO MAKE THE ENTIRE ANNUAL RENT ACCRUABLE FOR THE MARLTON MANOR, 240 JONES STREET; HOUSING PRESERVATION AND CITYWIDE TAX INCREMENT HOUSING PROGRAMS, BE ADOPTED.

PERSONS WISHING TO ADDRESS THE MEMBERS ON NON-AGENDA, BUT AGENCY RELATED MATTERS:

- Carmen Johnson (inquired about the status of pre-development grant for Martin Luther King and Marcus Garvey Square regarding deferred maintenance and needs assessment issues – informed the Commission that she had not received a call back from staff about the matter)

Mr. Olson Lee provided an update of the pre-development grant and informed the Commission that staff was waiting to hear from the property agent about the comprehensive needs assessment and that correspondence from the property agent was received a few days ago. Mr. Lee informed the Commission that as soon as staff completes its review of the consultant's work, an extension request for the pre-development grant would be brought to the Commission.

REPORT OF THE PRESIDENT

- President Yee recalled inquiring about certain Agency projects and suggested that it would be good practice to provide monthly staff reports to the Commission on the status of on-going projects including property acquisitions. Mr. Yee asked specifically about the status of the 3rd and Mission project.

Acting Executive Director Helen Sause reported that the St Regis Hotel/ African-American Cultural Center project at 3rd and Mission Streets was on schedule other than weather delays.

President Yee suggested that staff provide periodic reports, maybe on a monthly basis, of current projects within the Agency's jurisdiction. Ms. Sause affirmed.

- President Yee stated that staff should serve the public and serve it well by returning telephone calls promptly. Mr. Yee stated that he had not received complaints from the public so far, but recalled hearing complaints that staff took two weeks to return phone calls from members of the public. Mr. Yee advised staff to work diligently to ensure prompt response to public inquiries in order to provide a healthy working environment for the Agency.

REPORT OF THE EXECUTIVE DIRECTOR

- Reported on the following matters:
 - That Commissioner Foriest Settles had tendered her resignation from the Commission effective December 3, 2001. Ms. Sause stated that Commissioner Foriest Settles was to be commended for her services to the Commission. Ms. Sause reported that the Mayor had submitted the name of Chantel Walker as the next appointee to the Agency Commission to the Board of Supervisors for its confirmation. Ms. Sause informed the Commission that she did not know Chantel Walker or her background, but looked forward to working with her.
 - Habitat for Humanity dedication at 1380 Oakdale on December 1st with Supervisors Sophie Maxwell and Chris Daly in attendance.
 - South of Market Youth Summit on December 1st with Olson Lee in attendance.
 - Delta Hotel groundbreaking ceremony on December 1st.
 - Fillmore Street lighting ceremony with the Mayor in attendance.
 - November 29th community meeting in Western Addition regarding the proposed addition to the Ballet building – scholarship program, community outreach and the addition's architecture were endorsed by those attending.
 - December 4th Library Commission meeting to consider the Mission Bay branch Library – Matthew Schwartz informed the Commission that the matter had been continued to the December 20th Library Commission meeting and possible delay to January 2002.
 - December 3rd Art Commission meeting where the transfer of the Turk Street substation to the Agency was approved and recommended to the Board of Supervisors for its consideration and approval.
 - Ethics Commission hearing on December 17th at 6:00 p.m. regarding political activities of City employees.
 - Agency Holiday Luncheon on December 19th.

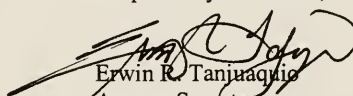
COMMISSIONERS QUESTIONS AND MATTERS

- Commissioner Dunlop shared with the Commission that he attended the Delta Hotel groundbreaking ceremony (on December 1st) and in spite of the bad weather, over 100 people were in attendance. Mr. Dunlop remarked that was a testament to the Filipino-American community's commitment of its involvement in the future of South of Market.
- Mr. Dunlop recalled that a couple of meetings ago, Commissioner Palamountain recommended a set of six criteria for the Agency's internal direct development of affordable housing and suggested that the criteria be placed on the December 11th Agenda for adoption by the Commission. The Commission gave its unanimous consent for Commissioner Dunlop's suggestion.
- Commissioner Romero expressed his support for Commissioner Dunlop's suggestion, but asked if it was appropriate to place the matter on the December 11th Agenda and not later, in light of Commissioner Foriest Settles resignation so that there would be a full Commission.
- Commissioner Dunlop opined that there would be a full Commission on December 11th.

ADJOURNMENT

It was moved by Mr. King, seconded by Ms. Palamountain, and unanimously carried that the meeting be adjourned. The meeting adjourned at 5:50 p.m.

Respectfully submitted,


Erwin R. Tanjuague
Agency Secretary

APPROVED:

January 8, 2002

MINUTES OF A REGULAR MEETING OF THE
REDEVELOPMENT AGENCY OF THE CITY AND
COUNTY OF SAN FRANCISCO HELD ON THE
11TH DAY OF DECEMBER 2001

The Commissioners of the Redevelopment Agency of the City and County of San Francisco met in a regular meeting at City Hall, 1 Dr. Carlton B. Goodlett Place, Room 416, in the City of San Francisco, California, at 4:00p.m. on the 11th day of December 2001, at the place and date duly established for holding of such a meeting.

The President called the meeting to order and on roll call the following answered present:

Benny Y. Yee, President
Leroy King, Vice President
Mark Dunlop
Kathryn C. Palamountain
Ramon E. Romero
Darshan Singh

DOCUMENTS DEPT.

and the following were absent:

SEP 13 2007

The President declared that a quorum was present.

SAN FRANCISCO
PUBLIC LIBRARY

Ayisha Benham, Acting Executive Director, and staff members were also present.

President Yee reminded the public of the Commission meeting rules and asked that cell phones and pagers be turned off.

Agency Commission Secretary Erwin R. Tanjuaquio announced that an overflow room had been provided in Room 421.

MATTERS OF NEW BUSINESS

REGULAR AGENDA

Items 4 (a), (b) and (c) were presented together and acted upon separately.

- 4 (a) Resolution No. 216-2001, Authorizing a First Amendment to the Contract for Sale of Land to redeveloper for a Turnkey Senior Citizens Housing Project with the Housing Authority of the City and County of San Francisco, a public body corporate and politic, for the proposed subdivision and re-landscaping of the common area adjacent to Clementina Towers located at 320 Clementina Street; Yerba Buena Center Redevelopment Project Area

- 4 (b) Resolution No. 217-2001, Authorizing an Owner Participation Agreement with Tenants and Owners Development Corporation, a California nonprofit public benefit corporation, for the construction of 85-units of very low income senior housing, and an approximately 9,400 square foot retail/institutional component at 827 Howard Street and re-landscaping of the Clementina Commons common area; Yerba Buena Center Redevelopment Project Area
- 4 (c) Resolution No. 218-2001, Authorizing a Predevelopment Grant Agreement with Tenants and Owners Development Corporation, a California nonprofit public benefit corporation, in an amount not to exceed \$132,000, in conjunction with the re-landscaping of the common area adjacent to Clementina Towers at 320 Clementina Street; Yerba Buena Center Redevelopment Project Area
- 4 (d) Resolution No. 219-2001, Public Hearing regarding Approving (1) a Conditional Use to allow an increase in the building height from 40 feet to 85 feet and to increase the maximum permitted building bulk; and (2) a Variance from the rear yard requirement; and, Conditionally Approving the Schematic Design for the air-right parcels A and B at 827 Howard Street; Yerba Buena Center Redevelopment Project Area

Presenters: William Carney (Agency Staff), Sululagi Palega (Housing Authority Commission President), Daryl Higashi (MOH), Joseph Chance (Kwan-Henmi Architects), Ricky Tijani, Elena Branick (Agency Staff)

President Yee established a two-minute time limit for public testimony.

Speakers: Lourdes Aranas, Genya Ehrlich, Albert Lee, Meg Maenhout, Bob Planthold, Sally Green, Delbert Scott, Anita Chow, Juanita Neglete, Lorin Bagley, Bao Chen, Patricia Peterson, Jeannie Riggs, Betty Duran, Kwong Choy, Chen Sau Lee, David McGuire, Thomas Kent Fielding, Shirley A. Bierly, Yefim Litvinov, Bill Price, Barbara Blong, Gordiana LeDura, James Pye Jr. Michael Kwok, Richard Marquez, T. J. Schwankl, John Elberling, Christine (no last name), Maria Tan

All of the above spoke in support of the project.

The following spoke in opposition to the project.

Barbara Anwari, Foster Weeks, Abdul Kadir (not present, sent a letter), Jim Berk

Commissioner Romero thanked everyone for coming to the meeting and testifying. Mr. Romero shared the same concerns raised by member of the public regarding traffic, parking, congestion and cleanliness issues but stated that he was not persuaded against the overwhelming need for affordable senior housing. Mr. Romero expressed that the need for affordable senior housing was so great that the Agency should develop it wherever it could and that he was bound to follow the housing policies of the Mayoral administration to support the development of affordable senior housing. Mr. Romero put forth a motion to adopt item 4 (a).

Commissioner Singh agreed with Commissioner Romero's statements and shared that he had received a petition from Clementina Towers with 459 signatures asking the Commission to reject the TODCO proposal, but at the meeting only three people spoke against the proposal and a great number of senior citizens testified in support of the project. Mr. Singh commented that the project was a good project and lent his support. Mr. Singh seconded the motion to adopt item 4 (a).

Commissioner Dunlop thanked all the people who came to testify and pointed out that although only three people came to speak against the project, they shared the concerns of their neighbors as well. Mr. Dunlop stated that he did not see traffic issues addressed in the staff report and noted that only four parking spaces were being provided. Mr. Dunlop asked staff for a response.

Ms. Elena Branick informed the Commission that the four parking spaces were in accordance with the Planning Code and explained that the parking requirements for senior housing was one parking space for every 20 tenants and that the low parking requirement was due to the fact that seniors do not drive.

Commissioner Dunlop asked Ms. Branick if she expected additional traffic impacts. Ms. Branick stated that no additional traffic impacts were expected.

Commissioner Dunlop agreed with the quality of life issues raised by the public, but pointed out that street cleanliness, congestion and urination were problems seen all over the City. Mr. Dunlop felt that there was an optimistic outlook with the proposed retail to help cleanup the area and stated that the 85 units of badly needed senior housing would bring people to the area and help with the cleanliness of the streets. Mr. Dunlop pointed out that the project was a collaboration of various City agencies that would help address the quality of life issues. Mr. Dunlop stated that the Agency builds neighborhoods and not just buildings and took pride in building decent neighborhoods with quality housing. Mr. Dunlop assured the public that he would continue to visit the neighborhood and that Agency staff would make sure that the housing units were of good quality. Mr. Dunlop expressed that it was mind boggling to have 6,000 seniors on the waiting list and that he could

not find it in his heart to deny the proposed 85 units and wished that the Agency was offering three times the number of units. Mr. Dunlop was heartened with the overwhelming support for TODCO and expressed his support for TODCO's efforts to provide needed senior housing with great supportive services. Mr. Dunlop hoped that the Commission moves forward with the project.

Commissioner Palamountain expressed her excitement about the proposed open space that would be accessible to all of the senior residents in the area. Ms. Palamountain asked about maintenance of the open space.

Mr. William Carney informed the Commission the proposed open space owned by the Housing Authority and Woolf House would be maintained under a Cooperative Agreement between the two owners. Mr. Carney added that well designed fencing and lighting would be provided to address some of the security issues in the area.

Commissioner Palamountain stated that she would be interested in the funding of the open space to ensure adequate maintenance. Ms. Palamountain asked about noise mitigation measures during construction.

Mr. Carney stated that the program EIR established mitigation measures for Yerba Buena Center that would address the construction noise. Mr. Carney explained that the mitigation measures would be applied to the project and would address not only the decibel levels, but also the time that the construction noise would occur, and that City ordinances with respect to construction noise mitigation would also apply. Mr. Carney pointed out that both the Housing Authority and TODCO have existing developments adjacent to the proposed project and are committed to be sensitive to the needs and concerns of the existing residents during the construction period.

Mr. Ricky Tijani added that the Owner Participation Agreement with TODCO provides for mitigation measures as to the hours of construction activities to address the issues of noise and traffic to ensure minimum disruption to area residents.

Commissioner Palamountain thanked staff for their responses and the public for taking the time to come to the meeting. Ms. Palamountain was heartened and inspired to see people testify in support of a project where they were not guaranteed to benefit from the proposed housing units. Ms. Palamountain also thanked the Housing Authority staff and Commission President for their support. Ms. Palamountain expressed her sense of responsibility to the aging population, in particular 6,000 seniors on the waiting list, and pointed out that there would be a growing population of seniors in the coming decades and if the housing needs were not addressed, the City would be facing a growing crisis. Ms. Palamountain stated that in order to have dignity in aging, there

must be decent, safe and affordable housing for seniors. Ms. Palamountain lent her support for the project.

President Yee thanked the public on behalf of the Commission for taking the time to come to the meeting. Mr. Yee stated that it was a good project, but shared the public's concern about security and quality of life issues and asked if the quality of life in the area would improve after the project was built.

Mr. Carney affirmed that the quality of life would improve because of new fencing and lighting that would be built along with the common open space specifically designed for use by seniors that would invite more usage of the space. Mr. Carney explained that as in the Yerba Buena Gardens, the more people using the space the more eyes in the space providing added security. Mr. Carney added the retail space that would front on Howard Street would provide safety and a litter free environment and the residential entrance on Tehama Street would have additional staffing that would provide visual surveillance for the area.

President Yee stated that staff did not adequately address the traffic issues and asked if traffic would be worse after the project is built.

Mr. Carney stated that the premise of the Planning Code for requiring only four spaces in the development was the availability of public transit in the vicinity and that the project was not anticipated to generate additional vehicular traffic in the area. Mr. Carney explained that the retail space would be considered as part of the overall Yerba Buena district retail establishments and patrons would either use public transit or nearby parking garages.

President Yee recalled public testimony about the building maintenance and asked staff for a response.

Mr. Carney stated that the 85 new units would be maintained as part of the funding for the project and that TODCO had demonstrated in their other developments their commitment to maintaining the housing units and that would continue with 827 Howard. Mr. Carney added that the Housing Authority would be creating an asset for the community that would provide the incentive to properly maintain the project.

President Yee recalled public testimony about sanitation issues around the Clementina Towers and asked staff for a response.

Mr. Carney stated that the Clementina Towers area was not being maintained adequately and explained that TODCO would address those issues with Clementina Towers as well as neighboring residents.

President Yee thanked Mr. Carney for his responses and stated that the need for affordable senior housing outweighed the issues raised by members of the public opposing the project. Mr. Yee lent his support for the project.

ADOPTION: IT WAS MOVED BY MR. ROMERO, SECONDED BY MR. SINGH, AND UNANIMOUSLY CARRIED THAT ITEM 4 (a) RESOLUTION NO. 216-2001, AUTHORIZING A FIRST AMENDMENT TO THE CONTRACT FOR SALE OF LAND TO REDEVELOPER FOR A TURNKEY SENIOR CITIZENS HOUSING PROJECT WITH THE HOUSING AUTHORITY OF THE CITY AND COUNTY OF SAN FRANCISCO, A PUBLIC BODY CORPORATE AND POLITIC, FOR THE PROPOSED SUBDIVISION AND RE-LANDSCAPING OF THE COMMON AREA ADJACENT TO CLEMENTINA TOWERS LOCATED AT 320 CLEMENTINA STREET; YERBA BUENA CENTER REDEVELOPMENT PROJECT AREA, BE ADOPTED.

ADOPTION: IT WAS MOVED BY MS. PALAMOUNTAIN, SECONDED BY MR. SINGH, AND UNANIMOUSLY CARRIED THAT ITEM 4 (b) RESOLUTION NO. 217-2001, AUTHORIZING AN OWNER PARTICIPATION AGREEMENT WITH TENANTS AND OWNERS DEVELOPMENT CORPORATION, A CALIFORNIA NONPROFIT PUBLIC BENEFIT CORPORATION, FOR THE CONSTRUCTION OF 85-UNITS OF VERY LOW INCOME SENIOR HOUSING, AND AN APPROXIMATELY 9,400 SQUARE FOOT RETAIL/INSTITUTIONAL COMPONENT AT 827 HOWARD STREET AND RE-LANDSCAPING OF THE CLEMENTINA COMMONS COMMON AREA; YERBA BUENA CENTER REDEVELOPMENT PROJECT AREA, BE ADOPTED.

ADOPTION: IT WAS MOVED BY MR. SINGH, SECONDED BY MR. DUNLOP, AND UNANIMOUSLY CARRIED THAT ITEM 4 (c) RESOLUTION NO. 218-2001, AUTHORIZING A PREDEVELOPMENT GRANT AGREEMENT WITH TENANTS AND OWNERS DEVELOPMENT CORPORATION, A CALIFORNIA NONPROFIT PUBLIC BENEFIT CORPORATION, IN AN AMOUNT NOT TO EXCEED \$132,000, IN CONJUNCTION WITH THE RE-LANDSCAPING OF THE COMMON AREA ADJACENT TO CLEMENTINA TOWERS AT 320 CLEMENTINA STREET; YERBA BUENA CENTER REDEVELOPMENT PROJECT AREA, BE ADOPTED.

ADOPTION: IT WAS MOVED BY MR. ROMERO, SECONDED BY MR. DUNLOP, AND UNANIMOUSLY CARRIED THAT ITEM 4 (d) RESOLUTION NO. 219-2001, PUBLIC HEARING REGARDING APPROVING (1) A CONDITIONAL USE TO ALLOW AN INCREASE IN THE BUILDING HEIGHT FROM 40 FEET TO 85 FEET AND TO INCREASE THE MAXIMUM PERMITTED BUILDING BULK; AND (2) A VARIANCE FROM THE REAR YARD REQUIREMENT; AND, CONDITIONALLY APPROVING THE SCHEMATIC DESIGN FOR THE AIR-RIGHT PARCELS A AND B AT 827 HOWARD STREET; YERBA BUENA CENTER REDEVELOPMENT PROJECT AREA, BE ADOPTED.

At this time (approximately 6:20 p.m.), the Commission took a five-minute recess.

Items 4 (e) and (f) were presented together and acted upon separately.

- 4 (e)** Resolution No. 220-2001, Public Hearing regarding Approving the Assignment by Site X Development Associates, LLC, a California limited liability company, to Habitat for Humanity San Francisco, a California nonprofit public benefit corporation, of the right to acquire and develop two of the ten lots comprising Site X, located on Keith Street near Hudson Avenue pursuant to a Partial Assignment and Assumption Agreement and the Third Amendment to the Site X Disposition and Development Agreement; Hunters Point Redevelopment Project Area
- 4 (f)** Resolution No. 221-2001, Authorizing a Third Amendment to the Disposition and Development Agreement with Site X Development Associates, LLC, a California limited liability company, regarding development of Site X on Keith Street near Hudson Avenue as affordable single-family homes for first-time homebuyers, to Add Habitat for Humanity San Francisco, a California nonprofit public benefit corporation, as the co-developer of two of the ten lots on Site X and Amend certain development requirements; Hunters Point Redevelopment Project Area

Presenters: Lucia Mele (Agency staff), Michael Johnson (E.M. Johnson), Jim Lowder (Habitat for Humanity SF)

Agency Commission Secretary Tanjuaquio reminded the public of the two-minute time limit for public testimony.

Speakers: Derf Butler, Dorris M. Vincent

Commissioner Dunlop thanked staff for its hard work and commended Site X Associates and Habitat for Humanity for handling the soils issue and for providing great affordability levels. Mr. Dunlop looked forward to the groundbreaking.

Commissioner Palamountain thanked Ms. Lucia Mele for an excellent presentation. Ms. Palamountain asked about the reallocation of \$500,000 originally intended for homebuyers' assistance.

Ms. Lucia Mele explained that the \$500,000 was based upon a worst case scenario and assumed that a family of three moved in to a three-bedroom unit and were at the bottom of the income range, which could go as low as 65% of the AMI, then the unit would require a higher subsidy amount compared to the same family at the same income range at 70% of AMI with five people in a three-bedroom unit. Ms. Mele stated that was the reason for reserving the \$500,000 because staff did not know how much would be needed for what units and which homebuyer. Ms. Mele stated that when the developer realized that there would be a \$400,000 budget gap, staff did not want to go to the Commission for more funding authority since the per-unit subsidy was already high. Ms. Mele explained that the solution that was developed based the prices at a fixed rate for a family of five and at the highest point of each income range, so that 75 to 80% would pay what a family of five could afford at 80% of Area Median Income. Ms. Mele stated that staff still anticipated that almost all of the same families would be able to afford the units under the new income ranges, and those above 50% and less than 75% of AMI would be missed unless cost savings were found. Ms. Mele pointed out that although the people between 50 to 75% would be missed, the development would reach people at 50% of AMI and staff felt that was a fair trade-off that provided a benefit to families at the 50% income range.

Commissioner Palamountain clarified that two of the units must be at 50% of AMI and the remaining eight units would be at 75% of AMI and above, but that the average would come out to be four percentage points lower on average.

Ms. Mele affirmed and added that would be the result of the reduced lower end of the income range.

Commissioner Palamountain commented that normally the higher income range would concern her, but with the fact that the average income ranges would be four percentage lower and that the developer fee had been reduced to 50%, this was a demonstration of the developer's commitment to seeing the project through even if it meant loss of benefit. Ms. Palamountain expressed her appreciation to SFHDC along with the new development team, in particular Habitat for Humanity for presenting a good solution instead of just asking the Commission for additional funding. Ms. Palamountain lent her support for the project.

President Yee recalled Mr. Michael Johnson's earlier statements that they were not requesting a time extension and no additional funds at that time, and asked staff to verify that statement.

Ms. Mele stated that staff did not anticipate going back to the Commission for additional funds or a time extension.

President Yee recalled that two of the ten lots were being transferred to Habitat for Humanity and asked if staff expected any of the other remaining lots to be transferred to Habitat for Humanity in the future.

Ms. Mele responded and stated that staff did not expect any of the remaining eight lots to be transferred to Habitat for Humanity.

President Yee recalled Mr. Johnson's earlier statements that they have spent \$275,000 on predevelopment costs, and asked for clarification on whose funds Mr. Johnson was referring to.

Mr. Johnson replied that the \$275,000 spent was the developer's money, not the Agency's. President Yee affirmed.

ADOPTION: IT WAS MOVED BY MR. SINGH, SECONDED BY MR. DUNLOP, AND UNANIMOUSLY CARRIED THAT ITEM 4 (e) RESOLUTION NO. 220-2001, PUBLIC HEARING REGARDING APPROVING THE ASSIGNMENT BY SITE X DEVELOPMENT ASSOCIATES, LLC, A CALIFORNIA LIMITED LIABILITY COMPANY, TO HABITAT FOR HUMANITY SAN FRANCISCO, A CALIFORNIA NONPROFIT PUBLIC BENEFIT CORPORATION, OF THE RIGHT TO ACQUIRE AND DEVELOP TWO OF THE TEN LOTS COMPRISING SITE X, LOCATED ON KEITH STREET NEAR HUDSON AVENUE PURSUANT TO A PARTIAL ASSIGNMENT AND ASSUMPTION AGREEMENT AND THE THIRD AMENDMENT TO THE SITE X DISPOSITION AND DEVELOPMENT AGREEMENT; HUNTERS POINT REDEVELOPMENT PROJECT AREA, BE ADOPTED.

ADOPTION: IT WAS MOVED BY MR. SINGH, SECONDED BY MR. ROMERO, AND UNANIMOUSLY CARRIED THAT ITEM 4 (f) RESOLUTION NO. 221-2001, AUTHORIZING A THIRD AMENDMENT TO THE DISPOSITION AND DEVELOPMENT AGREEMENT WITH SITE X DEVELOPMENT ASSOCIATES, LLC, A CALIFORNIA LIMITED LIABILITY COMPANY, REGARDING DEVELOPMENT OF SITE X ON KEITH STREET NEAR HUDSON AVENUE AS AFFORDABLE SINGLE-FAMILY HOMES FOR FIRST-TIME HOMEBUYERS, TO ADD HABITAT FOR HUMANITY SAN FRANCISCO, A CALIFORNIA NONPROFIT PUBLIC BENEFIT CORPORATION, AS THE CO-DEVELOPER OF TWO OF THE TEN LOTS ON SITE X AND AMEND CERTAIN DEVELOPMENT REQUIREMENTS; HUNTERS POINT REDEVELOPMENT PROJECT AREA, BE ADOPTED.

Items 4 (g) and (h) were presented together and acted upon separately.

- 4 (g)** Resolution No. 222-2001, Authorizing an Option Agreement with Mercy Housing California, a California nonprofit public benefit corporation, Granting the Agency an option to purchase the land portion only of the Dudley Apartments, located at 172 Sixth Street, in an amount not to exceed \$1,400,000, in conjunction with the Acquisition and Rehabilitation of 75 very low and low income rental units; South of Market Earthquake Recovery Redevelopment Project Area
- 4 (h)** Resolution No. 223-2001, Authorizing a Tax Increment Loan Agreement with Mercy Housing California, a California nonprofit public benefit corporation, in an amount not to exceed \$6,702,754, in conjunction with the Acquisition, Predevelopment, and Rehabilitation of 75 very low and low income rental units at the Dudley Apartments, 172 Sixth Street; South of Market Earthquake Recovery Redevelopment Project Area

Presenters: Vanessa Dandridge (Agency Staff), Randy Gerson (Dudley Apts.)

Commissioner Palamountain remarked that 35% of AMI was a great affordability level to achieve and that amenities such as claw-foot bathtubs, makes the project a “no-brainer.” Ms. Palamountain put forth a motion to adopt item 4 (g).

Commissioner Dunlop expressed that the project was awesome and that he was very impressed with the project. Mr. Dunlop stated that he was curious as to who was selling the building and why.

Ms. Vanessa Dandridge stated that the when the Dudley Apartments was conceived it was intended to be a turnkey project where the current developer had anticipated selling the property to another developer, but the market had changed and no other developer was interested, so Mercy Properties seized the opportunity to purchase the building in order to provide affordable housing for a project that was originally intended for market-rate residents. Ms. Dandridge added that the lovely units provided a great opportunity for low-income households to benefit from high quality housing.

Commissioner Dunlop agreed and stated that 35% of AMI was a great affordability level and thanked staff and Mercy for a great job. Mr. Dunlop seconded the motion.

President Yee recalled that over a year ago, former Commissioner Lynette Sweet suggested that Single Room Occupancy units along the Sixth Street corridor should be an average of 400 square feet and not the 207 square feet proposed for the Dudley Apartments. Mr. Yee asked what the reason was for the smaller-sized units.

Ms. Dandridge stated that her recollection of the Commission's debate about the size of SRO units was focused on the Plaza Hotel and pointed out that the Plaza Hotel was proposed for new construction and that the Dudley Apartments was a substantial rehabilitation project, and the configuration and size of the existing units would essentially remain the same.

President Yee verified that it would be difficult to increase the size of the units.

Ms. Dandridge affirmed that it would be difficult to increase the unit size without losing units from the building.

ADOPTION: IT WAS MOVED BY MS. PALAMOUNTAIN, SECONDED BY MR. DUNLOP, AN UNANIMOUSLY CARRIED THAT ITEM 4 (g) RESOLUTION NO. 222-2001, AUTHORIZING AN OPTION AGREEMENT WITH MERCY HOUSING CALIFORNIA, A CALIFORNIA NONPROFIT PUBLIC BENEFIT CORPORATION, GRANTING THE AGENCY AN OPTION TO PURCHASE THE LAND PORTION ONLY OF THE DUDLEY APARTMENTS, LOCATED AT 172 SIXTH STREET, IN AN AMOUNT NOT TO EXCEED \$1,400,000, IN CONJUNCTION WITH THE ACQUISITION AND REHABILITATION OF 75 VERY LOW AND LOW INCOME RENTAL UNITS; SOUTH OF MARKET EARTHQUAKE RECOVERY REDEVELOPMENT PROJECT AREA, BE ADOPTED

ADOPTION: IT WAS MOVED BY MR. ROMERO, SECONDED BY MR. DUNLOP, AND UNANIMOUSLY CARRIED THAT ITEM 4 (h) RESOLUTION NO. 223-2001, AUTHORIZING A TAX INCREMENT LOAN AGREEMENT WITH MERCY HOUSING CALIFORNIA, A CALIFORNIA NONPROFIT PUBLIC BENEFIT CORPORATION, IN AN AMOUNT NOT TO EXCEED \$6,702,754, IN CONJUNCTION WITH THE ACQUISITION, PREDEVELOPMENT, AND REHABILITATION OF 75 VERY LOW AND LOW INCOME RENTAL UNITS AT THE DUDLEY APARTMENTS, 172 SIXTH STREET; SOUTH OF MARKET EARTHQUAKE RECOVERY REDEVELOPMENT PROJECT AREA, BE ADOPTED.

- 4 (i) Resolution No. 224-2001, Authorizing a Second Amendment to the Grant and Regulatory Agreement with Compass Community Services, Inc. a California non-profit public benefit corporation, in an amount not to exceed \$115,000 for a total aggregate amount of \$954,620, in conjunction with the Rehabilitation of 12 units of very low income transitional housing at 111 Page Street, San Francisco; Citywide Tax Increment Housing Program

Presenters: Michele Davis (Agency Staff), Helen Meier (Clara House Executive Director)

Commissioner Singh put forth a motion to adopt item 4 (i) and Commissioner Palamountain seconded the motion.

Commissioner Dunlop remarked that was a wonderful project and thanked staff and people at the Clara House for their hard work.

ADOPTION: IT WAS MOVED BY MR. SINGH, SECONDED BY MS. PALAMOUNTAIN, AND UNANIMOUSLY CARRIED THAT ITEM 4 (i) RESOLUTION NO. 224-2001, AUTHORIZING A SECOND AMENDMENT TO THE GRANT AND REGULATORY AGREEMENT WITH COMPASS COMMUNITY SERVICES, INC. A CALIFORNIA NON-PROFIT PUBLIC BENEFIT CORPORATION, IN AN AMOUNT NOT TO EXCEED \$115,000 FOR A TOTAL AGGREGATE AMOUNT OF \$954,620, IN CONJUNCTION WITH THE REHABILITATION OF 12 UNITS OF VERY LOW INCOME TRANSITIONAL HOUSING AT 111 PAGE STREET, SAN FRANCISCO; CITYWIDE TAX INCREMENT HOUSING PROGRAM, BE ADOPTED.

- 4 (j) Establishing criteria for evaluating the Agency's direct development of future affordable housing

Acting Executive Director Ayisha Benham recommended that item 4 (j) be continued to the Commission meeting of January 8, 2002.

The Commission granted its unanimous consent to continue item 4 (j) to the Commission meeting of January 8, 2002.

PERSONS WISHING TO ADDRESS THE MEMBERS ON NON-AGENDA, BUT AGENCY RELATED MATTERS:

- Derf Butler

REPORT OF THE PRESIDENT

- President Yee inquired about his earlier request for the videotape of the Board of Supervisors' Housing, Transportation and Land Use Committee meeting of November 8th.

Agency Commission Secretary Erwin R. Tanjuaquio informed President Yee that the duplicate videotapes would be available in the following week.

At this time (approximately 6:55 p.m.), Executive Director Marcia Rosen came into the meeting room.

- President Yee reported that the Commission was invited to attend a Mayoral reception that day at 5:00 p.m. for HUD Deputy Secretary Alfonso Jackson but the meeting kept them occupied. Mr. Yee acknowledged the presence of Executive Director Rosen and facetiously asked if there was any food left at the reception.

REPORT OF THE EXECUTIVE DIRECTOR (Acting Executive Director Ayisha Benham)

- Reported the following:
 - Board of Supervisors' Rules Committee Special Meeting on December 12th at 3:00 p.m. to confirm the appointment of Chantel L. Walker to the Redevelopment Agency Commission.
 - Board of Supervisors' Housing, Transportation and Land Use Committee meeting on December 13th at 10:00 a.m. regarding the former Japantown Bowl parcel.
 - Special Meeting of the Agency Commission on December 19th regarding a workshop on the African-American Museum.

Acting Executive Director Benham asked if Executive Director Rosen had any additional reports. Ms. Rosen addressed the Commission and reported the following:

- The Mayor had asked Ms. Rosen to accompany HUD Deputy Secretary Jackson on a tour of recent affordable housing projects in San Francisco and that the tour was very successful. Ms. Rosen reported that they visited Hayes Valley South, the first Hope 6 project, and drove by the Plaza East project that was slated to be completed at the end of the year and visited Glide along with Reverend Cecil Williams, and that the tour included visits to either a childcare center or an after-school program at each site. Ms. Rosen reported that the tour included Presentation Housing and drove along Eighth Street to see 165 Eight and the Eighth and Howard housing development under construction, and terminated the tour at the Mission Bay Visitor Center where they visited the Orlando Cepeda Place development that would be coming on line in early 2002. Ms. Rosen reported that they showed the Deputy Secretary the site of the Mission Bay Senior, which the Commission recently approved, and suggested that Commissioners to come to the Mission Bay Visitor Center to see the progress of the Mission Bay project. Ms. Rosen shared that the Deputy Secretary was very impressed with the quality, design and comprehensiveness of the examples of affordable housing developments he saw in San Francisco. The Deputy Secretary said that he would come back and visit again and sent his regards to the Commission and his high regard for the important work that the Agency was doing in providing

affordable housing with community services. The Deputy Secretary would like to talk more with the Agency on how it leverages limited HUD resources with local resources in developing complex housing developments for lower income people.

President Yee asked Ms. Rosen who attended the reception.

Ms. Rosen reported that other City Commissioners were in attendance including Housing Authority Commission President Palega, Commissioner Julie Lee and members of the Board of Supervisors. Deputy Secretary Alfonso Jackson thanked the Mayor and the people of San Francisco for a warm welcome.

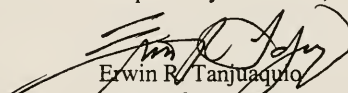
COMMISSIONERS QUESTIONS AND MATTERS

- Commissioner Dunlop wished that Deputy Secretary Jackson had attended the Commission meeting to see the wonderful projects that the Commission had approved and that the Deputy Secretary would have been proud of what the Commission accomplished and would have heard the complements from the public.

ADJOURNMENT

It was moved by Mr. King, seconded by Mr. Singh, and unanimously carried that the meeting be adjourned. The meeting adjourned at 7:24 p.m.

Respectfully submitted,



Erwin R. Tanjuaquino
Agency Secretary

APPROVED:

January 8, 2002

MINUTES OF A REGULAR MEETING OF THE
REDEVELOPMENT AGENCY OF THE CITY AND
COUNTY OF SAN FRANCISCO HELD ON THE
18TH DAY OF DECEMBER 2001

The Commissioners of the Redevelopment Agency of the City and County of San Francisco met in a regular meeting at City Hall, 1 Dr. Carlton B. Goodlett Place, Room 416, in the City of San Francisco, California, at 4:00p.m. on the 18th day of December 2001, at the place and date duly established for holding of such a meeting.

The President called the meeting to order and on roll call the following answered present:

Benny Y. Yee, President
Leroy King, Vice President
Mark Dunlop
Kathryn C. Palamountain
Ramon E. Romero
Darshan Singh
Chantel L. Walker (first Commission meeting)

and the following were absent:

DOCUMENTS DEPT.

The President declared that a quorum was present.

SEP 13 2007

Marcia Rosen, Executive Director, and staff members were also present.

SAN FRANCISCO
PUBLIC LIBRARY

President Yee introduced and welcomed newly appointed Agency Commissioner, Chantel L. Walker.

President Yee reminded the public of the Commission meeting rules and asked that cell phones and pagers be turned off.

Agency Commission Secretary Erwin R. Tanjuaquio announced that the Affordable Housing Committee meeting scheduled for December 18th had been cancelled.

MATTERS OF NEW BUSINESS

CONSENT AGENDA

4 (a) Approval of Minutes: Meeting of November 27, 2001

4 (b) Resolution No. 225-2001, Amending Resolution No. 186-2001 to Revise the Compensation for Agency Staff

ADOPTION: IT WAS MOVED BY MR. KING, SECONDED BY MR. DUNLOP, AND UNANIMOUSLY CARRIED THAT CONSENT AGENDA ITEM S 4 (a) APPROVAL OF MINUTES: MEETING OF NOVEMBER 27, 2001, AND 4 (b) RESOLUTION NO. 225-2001, AMENDING RESOLUTION NO. 186-2001 TO REVISE THE COMPENSATION FOR AGENCY STAFF, BE ADOPTED.

REGULAR AGENDA

4 (c) Election of President and Vice President.

President Yee opened the nominations for the office of President.

Commissioner King stated that he was honored to nominate newly appointed Commissioner Chantel L. Walker as President. Mr. King remarked that the Commission had problems and hoped that the new Commissioner would bring new light to the Commission.

Commissioner Romero seconded the nomination of Ms. Walker as President. Mr. Romero stated that the Commission had problems in the past year and that the Commission had been divided and it now has the opportunity for someone new that had not been a part of the history to come and help accomplish what the Commission had not been able to, which was to bring order to the Commission as well as peace. Mr. Romero stated that nominating a new Commissioner was consistent with the Mayor's policy that every member of the Commission have an opportunity to hold office and that at that juncture, only Commissioners Walker and Palamountain have not been elected to office.

Commissioner Dunlop lent his support for Ms. Walker and recalled that the Agency had a very difficult year and that everyone was looking for a fresh start in the New Year. Mr. Dunlop was impressed with Ms. Walker's sterling background and looked forward to working with her on affordable housing and the many projects of the Agency. Mr. Dunlop moved that the nominations for the office of President be closed. Commissioner King seconded the motion.

Speakers: Ulysses J. Montgomery

MOTION: IT WAS MOVED BY MR. KING, SECONDED BY MR. ROMERO, AND UNANIMOUSLY CARRIED THAT CHANTEL L. WALKER BE ELECTED TO THE OFFICE OF PRESIDENT.

President Yee opened the nominations for the office of Vice-President.

Commissioner Singh nominated Commissioner Kathryn C. Palamountain to the office of Vice-President.

Commissioner Romero seconded the nomination of Ms. Palamountain as Vice-President. Mr. Romero stated that Commissioner Palamountain was the only Commissioner who had not served as either President or Vice-President. Mr. Romero stated that the office of Vice-President was a very important position and recalled the time he served as Vice-President, and that the Vice-President filled in when the President was absent. The President's confidence on the Vice-President to fill-in certainly affects the President's ability to be absent at a Commission meeting due to busy schedules and it was important to have someone to rely on and Ms. Palamountain certainly fit the bill. Mr. Romero recalled his four years on the Commission and that Ms. Palamountain stood head and shoulders above every Commissioner with her familiarity in particular, with housing laws that affect the Agency's affordable housing program. Mr. Romero reiterated his enthusiastic support for Ms. Palamountain.

Commissioner Dunlop lent his support for Ms. Palamountain and that it was a pleasure to work with her during the past year and a half. Mr. Dunlop stated that it was wonderful to see the courage and intelligence and being able to stand up in some of the most difficult moments he had seen a person go through. Mr. Dunlop stated his confidence that Ms. Palamountain would serve the office of Vice-President quite well. Mr. Dunlop moved that the nominations for the office of Vice-President be closed.

Commissioner King agreed that Ms. Palamountain had done a good job and looked forward to both Ms. Walker and Ms. Palamountain's leadership in the coming year. Mr. King seconded the motion.

Commissioner Walker stated that she looked forward to the opportunity to work with Ms. Palamountain. Ms. Walker shared that she had known Ms. Palamountain in the past and that they would make a wonderful team together.

MOTION: IT WAS MOVED BY MR. SINGH, SECONDED BY MR. ROMERO, AND UNANIMOUSLY CARRIED THAT KATHRYN C. PALAMOUNTAIN BE ELECTED TO THE OFFICE OF VICE-PRESIDENT.

President Yee congratulated both Commissioners Walker and Palamountain.

At this time, Mr. Yee relinquished his chair to newly elected President Chantel L. Walker. Mr. King likewise relinquished his chair to newly elected Vice-President Kathryn C. Palamountain.

President Walker expressed her appreciation to all and for the graciousness with which the Commission had transitioned. Ms. Walker stated that she would like to maintain the order of the Agenda and have brief comments under the President's Report, and offered the same opportunity to Vice-President Palamountain and Commissioner Yee for closing remarks on his term as President.

- 4 (d) Resolution No. 226-2001, Commending and Expressing Appreciation to Dr. Michal Foriest Settles upon the occasion of her departure from the Redevelopment Agency Commission

Presenters: Agency Commission Secretary Erwin R. Tanjuaquio read the Commendation Resolution for Dr. Michal Foriest Settles.

Commissioner Romero put forth a motion to adopt item 4 (d).

Commissioner Dunlop seconded the motion. Mr. Dunlop hoped that Ms. Foriest Settles was listening on the radio and thanked Ms. Settles for her service and for bringing a unique perspective to the Commission and that everyone on the Commission appreciated her extreme hard work.

Commissioner Yee stated that the Commissioners missed their good friend Michal Settles who was outstanding and had a good vision to help build more affordable housing. Mr. Yee recalled that Senator John Burton's Senate Bill 2113 that was signed by the Governor last year provided \$200 million for the Agency to build additional affordable housing. Mr. Yee stated that it was a mystery to him why Commissioner Settles resigned, but that the Commission missed her for her wonderful ideas of building affordable housing. Mr. Yee recalled that the Agency developed Japantown and Diamond Heights, and shared his conversation with the Mayor where the Mayor agreed with Mr. Yee that the Agency had done so many things and yet could not build 100-plus units of affordable housing.

Commissioner Dunlop raised a point of order that Mr. Yee was not speaking on the specific resolution before the Commission.

President Walker thanked Mr. Yee for speaking on the very important resolution commending Dr. Settles.

Commissioner Yee agreed that the resolution was very important because it was Dr. Settles' vision to have the Agency build affordable housing and that it was Dr. Settles' idea and argued that his statements were related to the matter before the Commission. Mr. Yee advised Commissioner Dunlop to not interrupt him and that if he were the Chair, he would have ruled Mr. Dunlop out of order.

President Walker interjected and advised that the Commission would focus on the resolution at hand. Ms. Walker asked Mr. Yee to conclude his comments.

Commissioner Yee stated that everyone missed Dr. Settles and that she was outstanding and outspoken. Mr. Yee remarked that the Commission lost a very good member, a member that could not be easily replaced. Mr. Yee expressed a personal loss for Dr. Settles because she was a mentor to him and a good friend as well.

Commissioner Romero stated that if Dr. Settles was listening to the radio broadcast, he expressed his appreciation for her great assistance in the Agency's personnel matters and labor negotiations. Mr. Romero recalled the lengthy and complex labor negotiations and thanked Dr. Settles for her direct assistance in dealing with the Agency's labor issues. Mr. Romero remarked that he understood why Dr. Settles was held in such high esteem at BART management because of her skills and thanked her for her assistance in making decisions that were fair to the Agency employees.

President Walker requested that copies of the audiocassette tapes of the meeting be sent to former Commissioner Settles so she could hear the personal statements from Commissioners.

ADOPTION: IT WAS MOVED BY MR. ROMERO, SECONDED BY MR. DUNLOP, AND UNANIMOUSLY CARRIED THAT ITEM 4 (d) RESOLUTION NO. 226-2001, COMMENDING AND EXPRESSING APPRECIATION TO DR. MICHAL FORIEST SETTLES UPON THE OCCASION OF HER DEPARTURE FROM THE REDEVELOPMENT AGENCY COMMISSION, BE ADOPTED.

Items 4 (e) and (f) were presented together and acted upon separately.

- 4 (e) Resolution No. 227-2001, Authorizing a Tax Increment Loan Agreement with Community Housing Partnership, a California nonprofit public benefit corporation, to restructure a previous loan and to increase the loan amount by \$4,392,017 for a total aggregate amount not to exceed \$4,788,630, in for the rehabilitation of 86 units of very low income rental housing units including modernization of the elevator at the Senator Residence, 519 Ellis Street; Citywide Tax Increment Housing Program
- 4 (f) Resolution No. 228-2001, Authorizing an Amended and Restated Tax Increment Grant Agreement with Community Housing Partnership, a California nonprofit public benefit corporation, and to increase the grant amount by \$1,578,215 for a total aggregate amount not to exceed \$2,997,797 for rehabilitation costs at the Senator Residence located at 519 Ellis Street; Citywide Tax Increment Housing Program

Presenters: Elizabeth Colomello (Agency staff)

Speakers: Tony Davidson, Hermoyne Jones, William Donlon, Lillian Lyles,
Daniel O'Connell, Matt Starr, Natalie Bonnewit, Christia Muldey

Commissioner Singh put forth a motion to adopt item 4 (e). Mr. Singh stated that the project was for a good cause and the Commission should approve the funds to enable rehabilitation of the 86 units. Mr. Singh commented that he would like to visit the building after the rehabilitation was completed.

Commissioner Dunlop seconded the motion and stated that there seemed to be urgent quality of life issues that needed attention. Mr. Dunlop requested staff to notify the Commission when the MHP loan was nominated for approval scheduled in March. Mr. Dunlop also inquired about the elevator repair and asked why the repairs could not happen earlier before March or April, given the safety concerns.

Ms. Elizabeth Colomello informed the Commission that a new elevator cab had to be ordered and it would take approximately three months for the elevator cab to arrive. Ms. Colomello explained that if the items before the Commission was approved, the elevator cab could be ordered and modernization of the elevator could begin in March or April at the latest.

Mr. Dunlop thanked staff and the tenants who came to the meeting.

Commissioner Palamountain thanked the tenants for their involvement and hard work, specifically Matt Starr for his efforts in providing good tenant participation. Ms. Palamountain thanked Agency staff and the developer's staff for working together in addressing the building's problems including the elevator repair and shared Mr. Dunlop's interest in the MHP funding allocation. Ms. Palamountain inquired about the staff report that stated staff was confident that the projected rent increases would occur and were forthcoming and asked staff for confirmation of its confidence.

Ms. Colomello stated that the Senator Residence had actually received reasonable rent increases in the past several years and that the pro-forma prepared by staff takes into consideration the most conservative estimates. Ms. Colomello explained that with the rent increases that have been received in the past years and discussions with HUD representatives have led staff to believe that staff was making reasonable assumptions for future rent increases.

Ms. Palamountain asked if she understood correctly that the proposed building improvements would increase the chances of rent increases. Ms. Colomello affirmed. Ms. Palamountain remarked that the project was a good investment and lent her support for the items.

Commissioner Romero expressed his thanks to the tenants and commented that it was good to see the faces that were affected by decisions made by the Commission. Mr. Romero stated that the project was a good investment. Mr. Romero stated his support for both of the items before the Commission.

President Walker asked if there were other funding sources should the MHP funding not be secured.

Ms. Colomello informed the Commission that there were other funding sources being discussed, including another round of MHP funding as well as a possible tax-credit project.

ADOPTION: IT WAS MOVED BY MR. SINGH, SECONDED BY MR. DUNLOP, AND UNANIMOUSLY CARRIED THAT ITEM 4 (e) RESOLUTION NO. 227-2001, AUTHORIZING A TAX INCREMENT LOAN AGREEMENT WITH COMMUNITY HOUSING PARTNERSHIP, A CALIFORNIA NONPROFIT PUBLIC BENEFIT CORPORATION, TO RESTRUCTURE A PREVIOUS LOAN AND TO INCREASE THE LOAN AMOUNT BY \$4,392,017 FOR A TOTAL AGGREGATE AMOUNT NOT TO EXCEED \$4,788,630, IN FOR THE REHABILITATION OF 86 UNITS OF VERY LOW INCOME RENTAL HOUSING UNITS INCLUDING MODERNIZATION OF THE ELEVATOR AT THE SENATOR RESIDENCE, 519 ELLIS STREET; CITYWIDE TAX INCREMENT HOUSING PROGRAM, BE ADOPTED.

ADOPTION: IT WAS MOVED BY MR. SINGH, SECONDED BY MR. ROMERO, AND UNANIMOUSLY CARRIED THAT ITEM 4 (f) RESOLUTION NO. 228-2001, AUTHORIZING AN AMENDED AND RESTATED TAX INCREMENT GRANT AGREEMENT WITH COMMUNITY HOUSING PARTNERSHIP, A CALIFORNIA NONPROFIT PUBLIC BENEFIT CORPORATION, AND TO INCREASE THE GRANT AMOUNT BY \$1,578,215 FOR A TOTAL AGGREGATE AMOUNT NOT TO EXCEED \$2,997,797 FOR REHABILITATION COSTS AT THE SENATOR RESIDENCE LOCATED AT 519 ELLIS STREET; CITYWIDE TAX INCREMENT HOUSING PROGRAM, BE ADOPTED.

Items 4 (g) and (h) were presented together and acted upon separately.

- 4 (g) Resolution No. 229-2001, Authorizing a First Amendment to the Agreement for Disposition of Land for Private Redevelopment with Ridgeview Terrace Affordable Housing, Inc., a California Nonprofit public benefit corporation, as successor in interest to Ridgeview Terrace Limited Partnership, a California Limited Partnership, to extend the term of the agreement and other modifications in conjunction with the acquisition of the property at 140 Cashmere Street; Agency Housing Preservation Program; Hunter's Point Redevelopment Project Area
- 4 (h) Resolution No. 230-2001, Authorizing a First Amendment to the Agreement for Disposition of Land for private Redevelopment with Robinson Affordable Housing, Inc., a California nonprofit public benefit corporation, as successor in interest to Jackie Robinson Apartments, Ltd., a District of Columbia Corporation, to extend the term of the agreement and other modifications in conjunction with the acquisition of the property at 1340 Hudson Avenue; Agency Housing Preservation Program; Hunter's Point Approved Redevelopment Project Area

Presenters: Sean Spear (Agency staff)

Speakers: David Lee Crosby, Ulysses J. Montgomery, Dorothy Peterson, Dennis Lumsey, Oscar James, Carmen Johnson, Everett Patton Jr.

Commissioner Dunlop put forth a motion to adopt item 4 (g) and raised the following concerns raised by members of the public: (1) the Board membership issue where resident membership was being considered. Mr. Dunlop pointed out that Board membership should not just be a possibility but that he considered it to be essential for good management and resident involvement; (2) the issue of hiring a local contractor for the project; (3) that the PAC was not notified of the project and unable to review and vote on the merits of the project; and (4) given that the PAC had not had the opportunity to review the project, could the Agency await the PAC's review if the actions were not time sensitive.

Mr. Sean Spear stated that with projects where the Agency had a financial involvement, the Agency would require that the new ownership entity would have a board of directors comprising of nine members, three of whom would be residents. This had been an important method in maintaining resident participation on major issues that affect the property. Mr. Spear explained that the transactions currently before the Commission do not directly involve the Agency in either negotiating or facilitating the transactions and the Agency did not have any financial stake in the transactions. Mr. Spear added that the LDA's for the properties did not provide for Agency requirements with respect to board membership or hiring of local contractors once the

projects were completed in 1973. Mr. Spear stated that Ridgepoint Housing Corporation had a very strong expectation of resident participation and that they have had direct discussions with the resident boards involved specifically about resident involvement on the board of directors. Mr. Spear explained that there were ongoing discussions and details of the process were being worked out. Mr. Spear informed the Commission that with respect to the PAC notice issue, the PAC's Land Use Committee met on November 27th and although representatives from Ridgepoint were in attendance, they did not make a presentation at Agency staff's recommendation, opted to present at the next full PAC meeting, which occurred on December 3rd. At that meeting, Ridgepoint made a full presentation; however, the full PAC took no action. On December 10th, the PAC's Housing Committee met and heard a presentation by Ridgepoint again, but the Committee did not reach a conclusion on forwarding a recommendation whether to approve or disapprove. On the local contractor issue, Mr. Spear asked the representative from Ridgepoint for a response.

Mr. Richard Devine, financial consultant informed the Commission that no contract had been let to any general contractor for the work on the two developments. Mr. Devine stated that there was an extreme deadline of December 31st for the purchase contracts and that for Ridgeview, there was no extension and the purchase must close by the end of year. A condition of closing in their submission to HUD was a scope of renovation and repairs and that they sought out a contractor that was doing similar work and was familiar with such projects to scope out the repairs that met the HUD requirements for insuring a new loan for the property. Mr. Devine repeated that no general contracts had been let for the rehabilitation projects and that there would be opportunity for maximum participation by local contractors for the projects. Mr. Devine added that the scope of repairs had not yet been finalized and that there was full commitment to affirmative action and local hiring and they intended to fulfill such requirements.

Mr. Dunlop thanked Mr. Devine for his explanation and that his questions were answered satisfactorily.

Commissioner Romero seconded Mr. Dunlop's motion and thanked Mr. Devine for addressing Mr. Dunlop's concerns.

President Walker was glad to hear the commitment from Mr. Devine and looked forward to how that process would proceed.

ADOPTION: IT WAS MOVED BY MR. DUNLOP, SECONDED BY MR. ROMERO, AND UNANIMOUSLY CARRIED THAT ITEM 4 (g) RESOLUTION NO. 229-2001, AUTHORIZING A FIRST AMENDMENT TO THE AGREEMENT FOR DISPOSITION OF LAND FOR PRIVATE REDEVELOPMENT WITH RIDGEVIEW TERRACE AFFORDABLE HOUSING, INC., A CALIFORNIA NONPROFIT PUBLIC BENEFIT CORPORATION, AS SUCCESSOR IN INTEREST TO RIDGEVIEW TERRACE LIMITED PARTNERSHIP, A CALIFORNIA LIMITED PARTNERSHIP, TO EXTEND THE TERM OF THE AGREEMENT AND OTHER MODIFICATIONS IN CONJUNCTION WITH THE ACQUISITION OF THE PROPERTY AT 140 CASHMERE STREET; AGENCY HOUSING PRESERVATION PROGRAM; HUNTER'S POINT REDEVELOPMENT PROJECT AREA, BE ADOPTED.

ADOPTION: IT WAS MOVED BY MR. DUNLOP, SECONDED BY MR. SIINGH, AND UNANIMOUSLY CARRIED THAT ITEM 4 (h) RESOLUTION NO. 230-2001, AUTHORIZING A FIRST AMENDMENT TO THE AGREEMENT FOR DISPOSITION OF LAND FOR PRIVATE REDEVELOPMENT WITH ROBINSON AFFORDABLE HOUSING, INC., A CALIFORNIA NONPROFIT PUBLIC BENEFIT CORPORATION, AS SUCCESSOR IN INTEREST TO JACKIE ROBINSON APARTMENTS, LTD., A DISTRICT OF COLUMBIA CORPORATION, TO EXTEND THE TERM OF THE AGREEMENT AND OTHER MODIFICATIONS IN CONJUNCTION WITH THE ACQUISITION OF THE PROPERTY AT 1340 HUDSON AVENUE; AGENCY HOUSING PRESERVATION PROGRAM; HUNTER'S POINT APPROVED REDEVELOPMENT PROJECT AREA, BE ADOPTED.

- 4 (i) Resolution No. 231-2001, Authorizing a Fifth Amendment to the Personal Services Contract with the Market Street Association, in an amount not to exceed \$68,610, for a total aggregate contract amount not to exceed \$301,800, for administrative and community outreach services in support of the Mid Market Project Area Committee; Mid Market Redevelopment Survey Area

Presenters: Jose Campos/Lisa King (Agency staff), Carolyn Diamond (Market Street Association)

Commissioner Palamountain put forth a motion to adopt item 4 (i). Ms. Palamountain recalled staff's presentation a few weeks ago on an aggressive outreach program for Mid-Market for the adoption of the redevelopment plan and remarked that since the contract with the Market Street Association was being increased by only \$5,000 she thought that was a bargain given the amount of work that was being provided. Ms. Palamountain inquired about the Mid-Market newsletter prepared by the Market Street Association and asked if the newsletter would have editions in different languages.

Ms. Carolyn Diamond informed the Commission that the newsletter was not being published in other languages.

Ms. Palamountain asked if staff could look into publishing the newsletter in different languages because of the diverse community within Mid-Market that speaks a variety of languages and that it was important for the Agency's outreach efforts to include publishing newsletters and other outreach information in multiple languages to make sure that everyone can participate equally. Ms. Diamond nodded affirmatively. Ms. Palamountain congratulated Lisa King on her promotion.

Commissioner Singh seconded Ms. Palamountain's motion.

Commissioner Yee clarified that the Mid-Market area was still a survey area, not a project area, as stated earlier by staff.

ADOPTION: IT WAS MOVED BY MS. PALAMOUNTAIN, SECONDED BY MR. SINGH, AND UNANIMOUSLY CARRIED THAT ITEM 4 (i) RESOLUTION NO. 231-2001, AUTHORIZING A FIFTH AMENDMENT TO THE PERSONAL SERVICES CONTRACT WITH THE MARKET STREET ASSOCIATION, IN AN AMOUNT NOT TO EXCEED \$68,610, FOR A TOTAL AGGREGATE CONTRACT AMOUNT NOT TO EXCEED \$301,800, FOR ADMINISTRATIVE AND COMMUNITY OUTREACH SERVICES IN SUPPORT OF THE MID MARKET PROJECT AREA COMMITTEE; MID MARKET REDEVELOPMENT SURVEY AREA, BE ADOPTED.

REPORT OF THE PRESIDENT

President Walker offered Commissioner Yee to make closing remarks on his term as Commission President during 2001.

- Commissioner Yee looked back to the past year and stated that the Agency had accomplished a lot and appreciated staff's cooperation throughout the year, in particular the Commission Secretary who had done an outstanding job of maintaining the official records of the Commission and providing accurate information to the Commission. Mr. Yee thanked the public in attendance and those listening on the radio for their interest and participation and wished everyone an early Merry Christmas, and a happy, healthy and prosperous New Year. Mr. Yee expressed concern with statements made by members of the Board of Supervisors that he (as Chair) denied the public the opportunity to speak. Mr. Yee stated that he had never denied anyone the opportunity to speak and that he was very democratic in the way he conducted the Commission meetings. Mr. Yee recalled a previous meeting where there was a speaker who wanted to

speak on behalf of someone else and Mr. Yee did not allow him to speak because the Commission had a rule that only persons present at the meeting could address the Commission. Mr. Yee also recalled at that same meeting, there was a petition submitted to the Commission with over 200 signatures and consistent with Commission rules, no one was allowed to speak on behalf of the 200 people that signed the petition. Mr. Yee recalled that two members of the Board of Supervisors were still praising the three Commissioners who walked out of a Commission meeting (regarding the Plaza Hotel) and that situation was not something the Chair created.

President Walker thanked Mr. Yee for his healing comments, especially those that bring the Commission together.

- Mr. Yee thanked President Walker and that he wanted the public to know that he never made a statement that he was just for for-profit developers and never for non-profit developers. Mr. Yee stated that there had never been a statement made by the Chair that he was not for non-profit developers.

President Walker thanked Mr. Yee and appreciated his statements and realized that the President's role was a difficult one and looked forward to moving forward with the coming year.

- President Walker thanked everyone for the warm welcome and thanked her fellow Commissioners for the transition as they moved forward. Ms. Walker looked forward to working together very productively and that quite a bit was already produced last year and to have very focused decision-making and comments. Ms. Walker stated that in the spirit of working together productively, one of the tones she wanted to set was that if the Commission got into trouble, that the Commission would be willing to stop the meeting in order to provide the public with the respect that they deserve from the Commission. Ms. Walker looked forward to getting to know the individual Commissioners but much more intimately the projects the Agency would be working on and upcoming projects in the future. Ms. Walker shared some of her interests including citizen participation, in particular the next steps with the Bayview PAC, affordable housing and affordability levels and for everyone to have the opportunity to be heard. Ms. Walker offered Commissioner Palamountain the opportunity to make statements.
- Commissioner Palamountain expressed her gratification for the support and kind words from the Commissioners and that she had long respected her fellow Commissioners and was gratified to hear their support for her. Ms. Palamountain looked forward to serving with Ms. Walker.

REPORT OF THE EXECUTIVE DIRECTOR

- Ms. Marcia Rosen thanked former President and Vice-President Yee and King for their leadership and helping her get established on the job. Ms. Rosen congratulated and welcomed newly elected President and Vice-President Walker and Palamountain. Ms. Rosen commented that the Commission made history that evening with the election of women President and Vice-President along with a management team comprised entirely of women. Ms. Rosen jokingly suggested that the Agency might have to institute some affirmative action for men in the future, maybe in the year 3000. Ms. Rosen believed that history was made for the Agency and possibly other City agencies and that she was not aware of a team with the same composition and thought that it showed the strong quality of leadership and civic participation of women in San Francisco and Mayor Brown's strong confidence in women's ability to lead by his appointments. Ms. Rosen welcomed President Walker and Vice-President Palamountain and looked forward to working with them.
- Ms. Rosen reported on the following:
 - Promotion walk along Fillmore Street on December 17th, designed to promote Parcel 732-A and the economic revitalization of Fillmore Street. There were more than 20 participants and another walk was scheduled in January. Thanked staff for organizing the walk and Mr. Shifferaw's hospitality at Rasselas Ethiopian Cuisine and Jazz Club.
 - Request for Qualifications for technical assistance for the Hunters Point Shipyard CAC – received 12 responses and staff had begun evaluating statements of qualifications.
 - December 19th Special Commission Meeting from 5:00 to 8:00 p.m. regarding the 3rd Stakeholders' Meeting of the African-American Museum to be held at the Center for the Arts Forum building at the Yerba Buena Gardens at the corner of 3rd and Mission Streets.
 - 4800 Third Street acquisition recently approved by the Commission had closed and SFHDC was working with the Bayview PAC on the development proposals for the site.
 - Correspondence received from Armax, for the Commission's information.

- Announced that the December 18th meeting would be the last regular meeting of the Commission, in that the Christmas and New Years were on Tuesdays – first regular meeting of the New Year scheduled for January 8, 2002.

Ms. Rosen wished the Commissioners, Agency staff and the listening public Happy Holidays and a joyous and peaceful New Year.

COMMISSIONERS QUESTIONS AND MATTERS

- Commissioner Yee asked when the Executive Director could bring before the Commission the internal mechanism that would enable the Agency to develop its own affordable housing.

President Walker understood that the Commission had discussed the issue and that the date was being looked at, and advised the Executive Director to take as much time as necessary to prepare a comprehensive report on an issue that people seem to want to discuss in detail.

Ms. Rosen reminded the Commission that it continued a related matter from the December 11th meeting to the January 8, 2002 meeting where there will be further opportunity for the Commission to provide guidance to staff on how to proceed.

- Commissioner Dunlop welcomed President Walker to the Commission and that he was overjoyed with her presence and liked her idea of working together productively. Mr. Dunlop commented that it was a wonderful change and looked forward to fresh ideas and a fresh start. Mr. Dunlop suggested a retreat for the Commission and recalled that the last Commission retreat was productive and that might be a way of learning how to work together. Mr. Dunlop reported that he attended the South of Market PAC meeting (on December 17th) where the PAC approved the proposed plan amendment with a vote of 11 to 8. Mr. Dunlop shared that members of the public were charging voting members of the PAC with conflicts of interests and requested staff to provide responses when such allegations were made. Mr. Dunlop expressed his thanks and appreciation to the hardworking staff and wished everyone a Happy Holidays.
- Commissioner Palamountain recalled that when the Commission had considered preservation or similar housing projects that there were concerns raised by the PAC about not having ample time to participate in reviewing the projects, and understanding that these projects were on tight time and funding deadlines, suggested that staff begin a process of informing and educating members of the PAC on the urgency and fast

track schedules of the projects and requested staff to provide feedback to the Commission. Ms. Palamountain wished everyone a Happy Holidays.

- Commissioner Romero stated his support for a Commission retreat and suggested coordinating schedules among the Commissioners to ensure attendance and participation. Mr. Romero requested consultations with Commissioners because he believed that he was not consulted for the Special Meeting on December 19th, but that he would be in attendance in spite of a trial he had the next morning.
- Commissioner Yee inquired about the Executive Assistants' salary adjustments and recalled that former Executive Director Jim Morales was supposed to report back to the Commission.

Ms. Rosen reminded Mr. Yee that the Commission had discussed those matters in closed session a few months ago and had approved the salary adjustments, which were reflected in the earlier consent agenda item that the Commission adopted. Mr. Yee affirmed.

- President Walker thanked staff, in particular the Executive Director for their hard work in presenting the various projects before the Commission. Ms. Walker stated that it would be helpful for staff to identify Section 8 certificate projects being considered by the Commission if they were project based or if they were the ones that have to be renewed every year. Ms. Walker recalled that it was helpful to see the difference in affordability levels compared to the Section 8 subsidies on an earlier project. Ms. Walker stated that she would get in touch with her fellow Commissioners to talk about the idea of a Commission retreat. Ms. Walker suggested that questions raised at the Commission meeting be listed under the Unfinished Business at the next meeting to provide responses or reports.

Ms. Rosen stated that customarily, staff would provide responses in the form of informational memoranda or reported on Director's report.

- Ms. Walker affirmed and stated that her intention was to make sure that responses were provided to the Commission and the public.

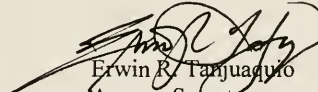
Ms. Rosen stated that staff kept track of such matters and were reported to the Commission. Ms. Rosen added that staff had prepared a report responding to Commissioner Palamountain's earlier request regarding environmental issues in the Hunters Point Shipyard and that the report would be forthcoming.

- Ms. Walker thanked former President Yee and Vice-President King for their nominations and support and that their experience would be very helpful as the Commission moved forward.

ADJOURNMENT

It was moved by Mr. Dunlop, seconded by Mr. Singh, and unanimously carried that the meeting be adjourned. The meeting adjourned at 6:00 p.m.

Respectfully submitted,



Erwin R. Tanjaguno
Agency Secretary

APPROVED:

January 22, 2002

MINUTES OF A SPECIAL MEETING OF THE
REDEVELOPMENT AGENCY OF THE CITY AND
COUNTY OF SAN FRANCISCO HELD ON THE
19TH DAY OF DECEMBER 2001

The Commissioners of the Redevelopment Agency of the City and County of San Francisco met in a special meeting at the Yerba Buena Center for the Arts Forum, 701 Mission Street, in the City of San Francisco, California, at 5:00p.m. on the 19th day of December 2001, at the place and date duly established for holding of such a meeting.

The President called the meeting to order and on roll call the following answered present:

Chantel L. Walker, President (departed @ 6:40 p.m.)
Kathryn C. Palamountain, Vice President
Mark Dunlop
Leroy King
Ramon E. Romero
Darshan Singh
Benny Y. Yee

and the following were absent:

DOCUMENTS DEPT.

The President declared that a quorum was present.

SEP 13 2007

Marcia Rosen Executive Director, and staff members were also present.

SAN FRANCISCO
PUBLIC LIBRARY

President Chantel L. Walker asked that cell phones and pages be turned off during the meeting. Ms. Walker advised that she would be leaving the meeting early and Vice-President Palamountain would preside over the meeting.

President Walker asked Commissioners to introduce themselves to the public.

MATTERS OF NEW BUSINESS

REGULAR AGENDA

- 2 (a) Workshop regarding background on the African American Museum as part of the third Community "Stakeholders' Meeting" concerning the Museum, located on Parcel EB-2A (southeast corner of Third and Mission Streets); Yerba Buena Center Redevelopment Project Area

Executive Director Marcia Rosen provided an overview of the special meeting and introduced Eileen Hernandez, facilitator of the Stakeholders' Meeting.

Ms. Eileen Hernandez introduced members of the project planning consultant team and members of the African-American Museum Steering Committee. Ms. Hernandez introduced Claudia Polley, consultant to the African-American Museum to begin the presentation.

Ms. Claudia Polley reviewed the previous Stakeholder meetings and presented the project overview, including the site, building, Mission Street entry and frontage.

Ms. Gail Lord (Lord Cultural Resources) presented the Foundation Statements of the African-American Museum along with the following Steering Committee members:

Ms. Alma Robinson read the African-American Museum's Mission Statement:

"The San Francisco African American Museum connects all people through the culture and history of the African Diaspora in this region and the world."

Ms. Dorothy Lathan read the African-American Museum's Vision Statement:

"Through exhibitions, presentations and activities, the Museum will draw people together – as in a global village – to explore and appreciate the impact of people of African descent to contemporary life the world over."

Mr. Ron Vinson read the African-American Museum's Statement of Mandate:

"The Museum presents our stories from the unique geographical and geospiritual perspective of a City built on the convergence of African and other world cultures at the far reaches of the African Diaspora."

Ms. Donnetter Lane read the African-American Museum's Values and Principles:

1. We will be a First Voice museum as we believe our stories – past and present – shape the future.
2. The African American experience is a testament to the triumph of humanity.
3. We will encourage the participation of people of all ages, especially young people, and cultivate in them a sense of Museum ownership and stewardship.
4. We will be a welcoming and accessible place that encourages contemplation.

5. We are committed to using innovative technologies to create powerful and immersive experiences.
6. We will be an active and supportive collaborator with other African American institutions in San Francisco and the Bay Area.
7. We will achieve sustainability through community service, environmental sensitivity, and fiscal responsibility.”

Mr. Jeffrey Cooper (Lord Cultural Resources) presented the preliminary findings of the Feasibility Study for the African-American Museum.

Mr. Philip Freelon (The Freelon Group, Inc. Architects) presented the African-American Museum’s architectural program, including the space allocation and square footages for each museum component.

Ms. Robin Silvestri and Veronica Jackson (Batwin and Robin Media Technology) presented examples of how the African-American Museum exhibit spaces would be used.

Ms. Raye Richardson (Steering Committee) presented the summary of concept development to date for the African-American Museum.

Ms. Claudia Polley provided a recapitulation of the workshop presentation and turned over the workshop to Eileen Hernandez.

Ms. Hernandez opened-up the public questions and answers portion of the workshop.

Speakers: Al Williams, Francisco De Costa, Allan Heard, Byron Kuth, Vera Haskin

At this time, approximately 6:40 p.m. President Walker departed and Vice-President Palamountain presided over the meeting.

Commissioner Dunlop expressed his excitement about the African-American Museum project and observed that the Diaspora of not only the African people but also other cultures, had resulted in other groups working and collaborating together through the African-American Museum project. Mr. Dunlop remarked that the San Francisco African-American Museum would be a world-class museum. Mr. Dunlop shared that he had attended two stakeholder meetings and was very impressed with the staff presentations and the high level of cooperation among all involved. Mr. Dunlop thanked staff, the consultant team and the steering committee members for their hard work.

Commissioner Romero stated that the meeting had been a learning experience for him and commented that the Commission had not worked on many cultural projects and usually deals with hotel and office projects, and housing development issues. Mr. Romero stated that he had not attended the two previous stakeholder meetings but the special meeting on the 3rd stakeholder meeting had been very educational for him and the Commission. Mr. Romero felt confident that the Agency had chosen the right consultant team to make the African-American Museum a reality. Mr. Romero remarked that even though the museum had a long way to go, he was impressed with the wonderful progress that had been made so far. Mr. Romero commented that he had a better idea of developing a museum that had all the complexities of a court case. Mr. Romero expressed his appreciation to staff, the consultant team and the steering committee members for their hard work and commitment.

Commissioner Yee thanked the consultant team for an exciting presentation, in particular the Freelon Group. Mr. Yee remarked that he learned a new word, "Diaspora" and thought that it was a great word. Mr. Yee expressed his excitement of seeing the African-American Museum become a reality in San Francisco and look forward to the grand opening in 2003, and hoped that he would still be a member of the Commission when the museum opened its doors. Mr. Yee stated that money was spent well for the tours of 26 museums all over the country to gain ideas and experiences to benefit the San Francisco African-American Museum. Mr. Yee remarked that the museum was a great project and recommended additional budget to enable the steering committee to visit other museums. Mr. Yee expressed happiness in participating in the 3rd stakeholder meeting and thanked everyone for coming to the meeting.

Commissioner Singh expressed his appreciation for a very educational meeting and suggested having more meetings and looked forward to the completion of the African-American Museum.

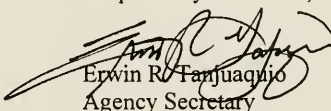
Commissioner King recalled that it was eight years ago when the Carpenter Company agreed to provide the space for the African-American Museum and was glad to see the progress that have been made in making the museum a reality. Mr. King reminded everyone to keep the focus on local community involvement throughout the process to ensure that the contributions of San Francisco's African-American community are reflected in the museum. Mr. King commended the staff and consultant team for an excellent presentation and looked forward to the grand opening in 2003. Mr. King advised that the funding commitment should be maintained to see the project through to completion. Mr. King thanked everyone for coming to the meeting.

Acting President Palamountain thanked the consultant team and project staff for an excellent presentation. Ms. Palamountain recalled hearing at past Commission meetings that there would be opportunity to see cultural exhibits even before the museum opens its doors in 2003 and looked forward to that. She recalled Dr. Richardson's earlier speech and shared that she learned a lot more about viewing the world through the lens of African-Americans, and that she would long dwell on Dr. Richardson's statements, "Freedom not like independence, but freedom." Ms. Palamountain thanked the public for coming to the meeting and for their continued participation in the creation of a very important cultural institution.

ADJOURNMENT

It was moved by Mr. Singh, seconded by Mr. Dunlop, and unanimously carried that the meeting be adjourned. The meeting adjourned at 7:10 p.m.

Respectfully submitted,


Erwin R. Tanjuaquio
Agency Secretary

APPROVED:

January 22, 2002

